

PERSI INVESTMENT REPORT

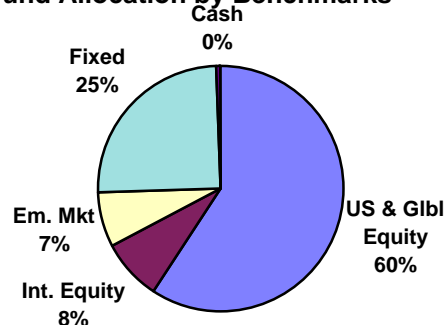
Month to Date Report

December 31, 2007

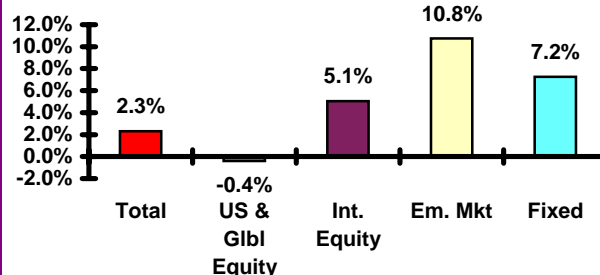
CURRENT VALUE OF THE FUND	\$	11,696,291,486
FISCAL YEAR CHANGE IN MARKET VALUE	\$	233,713,073
FISCAL YEAR TO DATE RETURNS		2.3%
MONTH TO DATE RETURNS		-0.6%

<u>Month Returns</u>		<u>Fiscal Year Returns</u>		<u>Five Year Returns</u>	
Total Fund	-0.6%	Total Fund	2.3%	Total Fund	14.6%
Benchmark	-0.6%	Benchmark	0.9%	Benchmark	12.1%
U.S Equity	-0.7%	U.S Equity	-1.6%	U.S Equity	14.1%
Benchmark	-0.6%	Benchmark	-1.8%	Benchmark	13.6%
Global Equity	-0.8%	Global Equity	1.6%	Global Equity	21.4%
Benchmark	-1.4%	Benchmark	0.0%	Benchmark	17.5%
Foreign Equity	-0.8%	Foreign Equity	5.1%	Foreign Equity	25.2%
Benchmark	-2.2%	Benchmark	0.5%	Benchmark	22.1%
Fixed Income	-0.2%	Fixed Income	7.2%	Fixed Income	5.3%
Benchmark	0.3%	Benchmark	5.9%	Benchmark	4.4%

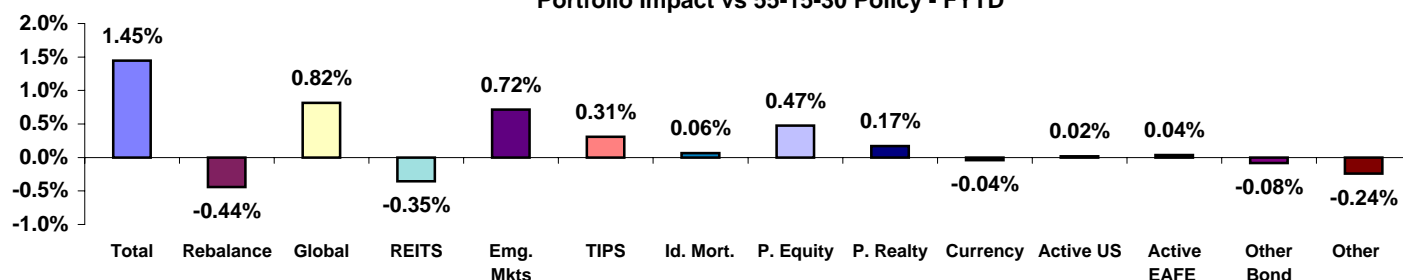
Fund Allocation by Benchmarks



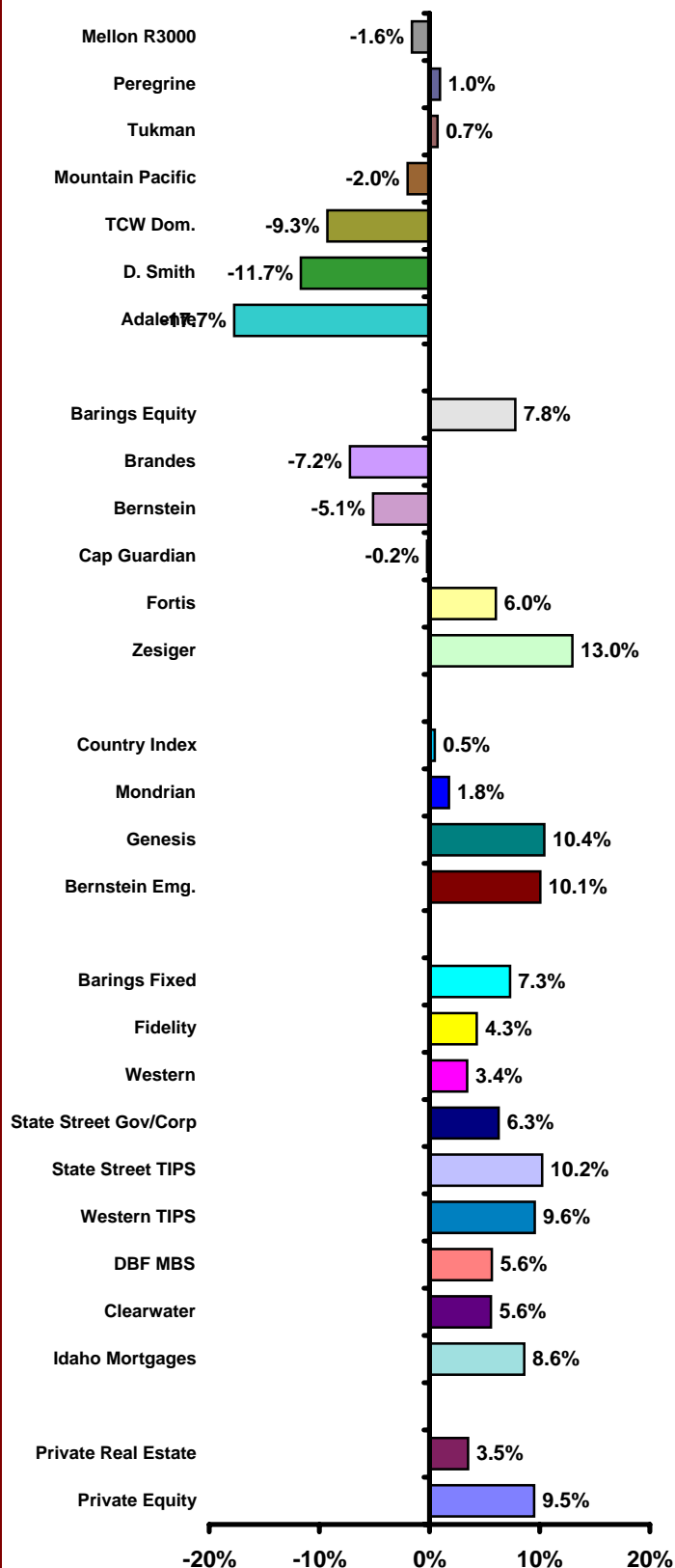
Fiscal Year To Date - Total Returns



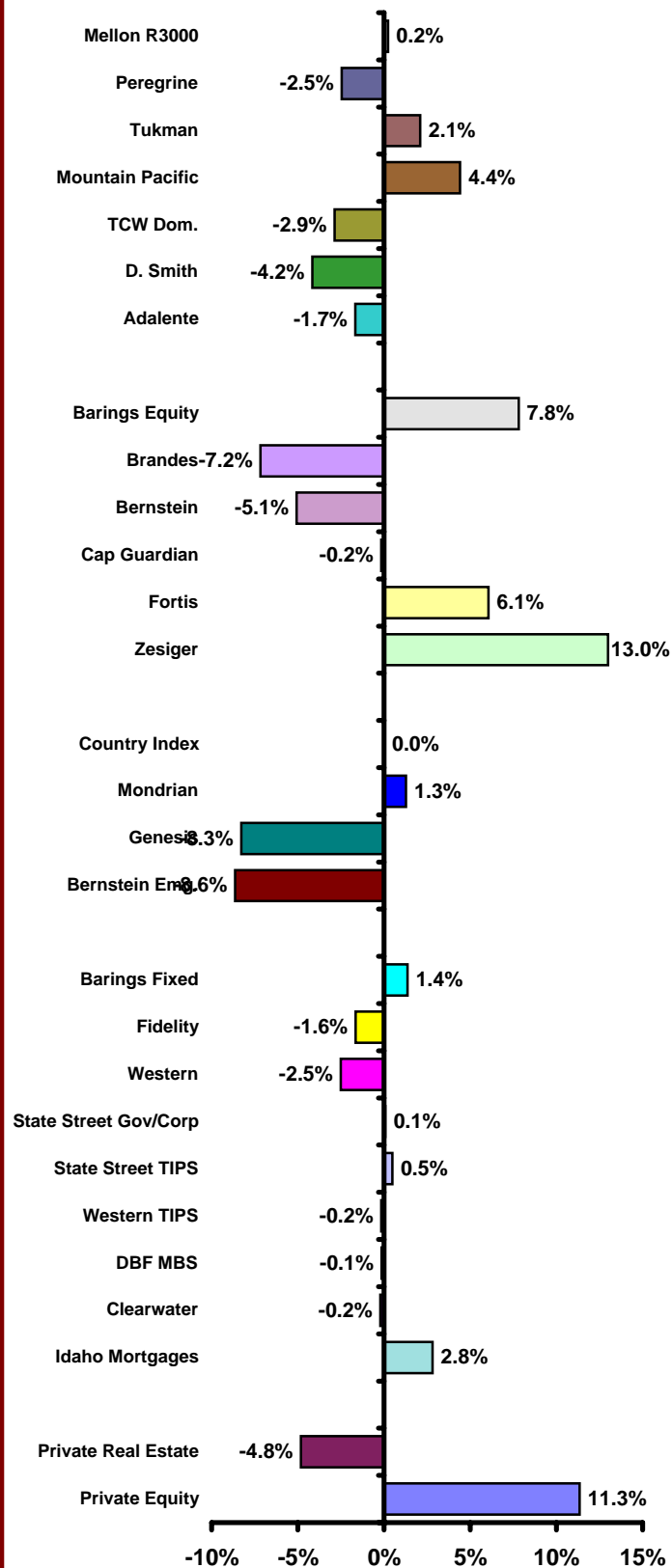
Portfolio Impact vs 55-15-30 Policy - FYTD



Fiscal Year to Date Returns



FYTD Returns vs. Benchmarks



CIO Comment

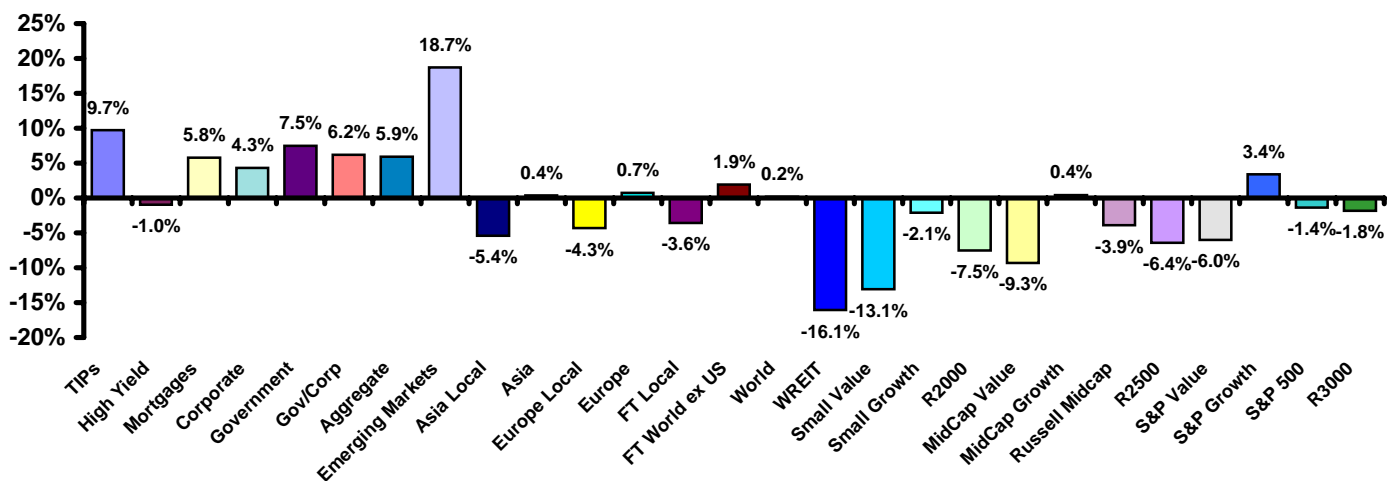
Over the past two months there has been a noticeable shift in the general consensus from expectations of moderately slowing growth to around an even split between very slow growth versus likely recession. There is increasing evidence of continued worsening of the the housing markets even beyond the initially gloomy forecasts, a stalling of corporate profit growth, continued high oil and commodity prices, and, most recently, evidence of an increase in unemployment. All have resulted in around a 10% drop in the global equity markets, and a general market deterioration overall.

The fund dropped 0.61% in December, although remains up 2.3% for the fiscal year to date, at \$11.7 billion. The calendar year ended with the fund up a better than average 10.4%. Zesiger continues to have spectacular returns for the fiscal year, with a 13% overall return, which, with global equity markets flat, also means a overall best outperformance of 13%.

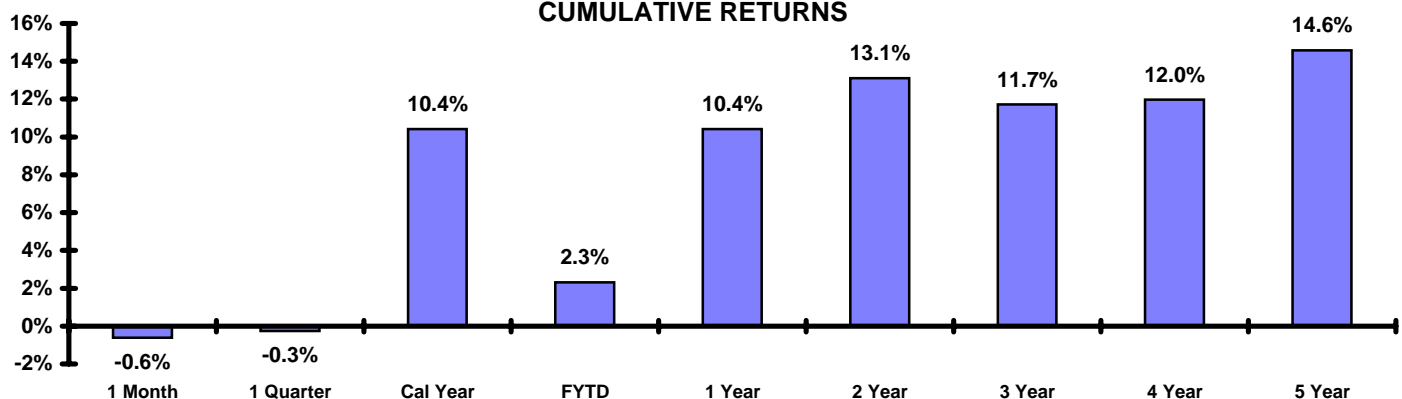
Emerging markets have also seen tremendous performance, although PERSI's emerging markets managers have only been able to capture about half of the 18.7% returns in the area. Bonds have had a very healthy run, and, in particular, the PERSI TIPS accounts have led the way with around 10% returns. Private equity, with 9.5% returns, have done very well. Other significantly outperforming managers have been Barings Global Equity and Mountain Pacific. Brandes, Bernstein, and Donald Smith have had very disappointing fiscal years to date.

PERSI is ahead of the strategic benchmark for the fiscal year to date, by 1.5%. Strategic weights to emerging markets are the major reason, although substantially lessened by active manager underperformance. Global managers, TIPS, and private equity have helped, while collective active management in equities has hurt. The calendar year also showed tremendous outperformance, with the 10.4% return handily outpacing the strategic benchmark return of 6.6% by 3.8%. Emerging markets, global equity, private equity and TIPS were the main contributors.

FYTD Benchmark Returns



CUMULATIVE RETURNS



	Current Month	One Year	Three Years		%
TOTAL FUND	-0.6%	10.4%	11.7%	\$ 11,696,291,486	
US EQUITY	-0.7%	6.0%	9.9%	\$ 4,234,372,804	36.2%
Mellon SP500	-0.6%	6.6%	9.4%	\$ 1,375,656,101	11.8%
Mellon Mid/Small	-0.8%	0.1%	7.6%	\$ 335,063,874	2.9%
Peregrine	-2.1%	8.2%	6.3%	\$ 195,681,520	1.7%
Tukman	-0.7%	4.0%	4.9%	\$ 334,843,238	2.9%
Mtn. Pac.	0.0%	8.7%	9.0%	\$ 301,222,648	2.6%
TCW	-0.9%	0.2%	7.0%	\$ 194,363,790	1.7%
D. Smith	-1.2%	-3.7%	10.5%	\$ 234,336,340	2.0%
Adelante	-7.0%	-21.6%	7.6%	\$ 217,543,965	3.6%
Private Realty	1.5%	17.9%	11.4%	\$ 424,763,058	5.5%
Private Equity	0.1%	22.5%	22.1%	\$ 620,898,269	2.3%
GLOBAL EQUITY	-0.8%	14.0%	16.9%	\$ 2,692,105,971	23.0%
Barings	0.2%	18.8%	16.3%	\$ 392,808,065	3.4%
Bernstein	-1.7%	3.2%	15.7%	\$ 347,871,105	3.0%
Brandes	-4.3%	2.7%	12.0%	\$ 639,689,230	5.5%
Cap Guardian	-1.8%	9.0%	12.1%	\$ 438,954,181	3.8%
Fortis	-0.5%			\$ 268,074,774	2.3%
Zesiger	3.8%	36.6%	28.5%	\$ 604,708,616	5.2%
INT. EQUITY	-0.8%	19.4%	22.1%	\$ 1,767,361,829	15.1%
Mellon EAFE	-2.3%	10.7%	16.5%	\$ 544,718,845	4.7%
Mondrian	-1.5%	12.4%	18.8%	\$ 383,824,380	3.3%
Bernstein Emg	-0.4%	32.9%	31.0%	\$ 422,265,723	3.6%
Genesis	1.6%	29.2%	31.9%	\$ 419,995,662	3.6%
FIXED INCOME	-0.2%	8.5%	4.9%	\$ 3,002,450,882	25.7%
SSGA Gov/Credit	0.1%	7.4%	4.5%	\$ 582,727,274	5.0%
Barings	0.3%	8.6%	5.3%	\$ 244,489,693	5.0%
Fidelity	0.4%	5.5%		\$ 225,873,499	1.9%
Western	-0.7%	4.6%	4.5%	\$ 226,928,827	2.1%
DBF MBS	0.3%	6.7%	4.8%	\$ 176,543,864	1.9%
Clearwater	0.0%	6.4%	4.7%	\$ 171,702,968	2.7%
Idaho Mort	-1.0%	10.7%	6.2%	\$ 315,169,616	1.5%
Western TIPS	-0.2%	11.6%	5.0%	\$ 290,681,038	1.5%
SSGA TIPS	-0.6%	11.2%	4.8%	\$ 710,315,117	2.5%
Cash and Other				\$ 58,018,987	6.1%
STRATEGIC SHIFTS FROM 55-15-30 POLICY BENCHMARK					
Global vs R3000	-0.04%	1.9%	1.5%	\$ 2,692,105,971	23.0%
REITS vs R3000	-0.13%	-0.6%	0.1%	\$ 217,543,965	3.6%
Emg. Mkts. Vs EAFE	0.20%	1.2%	0.7%	\$ 842,261,385	7.2%
TIPS vs Leh Agg	-0.07%	0.3%	0.0%	\$ 1,000,996,155	4.0%
Idaho Mort. vs Agg	-0.03%	0.1%	0.0%	\$ 315,169,616	1.5%
Private Equity vs R3000	0.04%	0.6%	0.3%	\$ 620,898,269	2.3%
Private Realty vs R3000	0.08%	0.4%	0.1%	\$ 424,763,058	5.5%
Currency Overlay	0.00%	-0.1%	0.0%	\$ 464,271,612	4.0%
Active US Only	-0.01%	0.1%	0.1%	\$ 1,260,447,537	10.8%
Active EAFE	0.02%	-0.1%	0.0%	\$ 383,824,380	3.3%
Other Bond	-0.02%	-0.1%	0.0%	\$ 1,628,266,124	18.6%
Total	-0.02%	3.8%	2.9%	\$ 9,386,276,459	79.8%

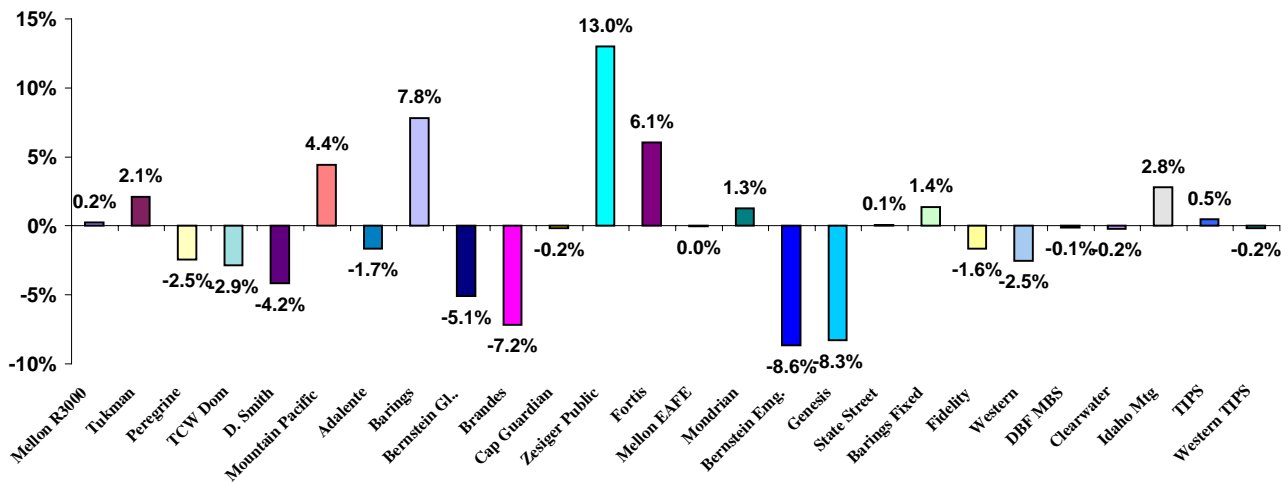
PERSI PORTFOLIO STATUS REPORT

December 31, 2007

	Latest Month	Fiscal Year to Date
Beginning Value	\$11,770,744,393	\$11,462,578,413
Net Contributions	(\$2,757,083)	(\$30,662,642)
Investment Gain	(\$71,695,824)	\$264,375,716
Ending Value	\$11,696,291,486	\$11,696,291,486

	Month	3 MO	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Total Fund	-0.6%	-0.3%	2.3%	10.4%	13.1%	11.7%	12.0%	14.6%
<i>No rebalancing</i>	-0.6%	-1.2%	0.8%	6.7%	10.2%	8.9%	9.4%	12.1%
<i>Benchmark (55-15-30)</i>	-0.6%	-1.2%	0.9%	6.6%	10.2%	8.8%	9.3%	11.9%
<i>PERSI rebalancing</i>	-0.6%	-1.5%	0.4%	6.4%	10.2%	8.8%	9.3%	12.1%
<i>Strategic Policies</i>	-0.3%	-1.0%	1.1%	8.0%	11.1%	9.8%	10.2%	12.8%
U.S. Equity	-0.7%	-2.9%	-1.6%	6.0%	10.9%	9.9%	11.0%	14.1%
<i>R3000 Index</i>	-0.6%	-3.3%	-1.8%	5.1%	10.3%	8.9%	9.6%	13.6%
Global Equity	-0.8%	-0.4%	1.6%	14.0%	19.4%	16.9%	16.0%	21.4%
<i>World Index</i>	-1.4%	-2.4%	0.0%	9.4%	14.9%	13.3%	13.8%	17.5%
Int. Equity	-0.8%	0.2%	5.1%	19.4%	23.2%	22.1%	21.7%	25.2%
<i>MSCI EAFE</i>	-2.2%	-1.7%	0.5%	11.6%	19.0%	17.3%	18.2%	22.1%
Fixed Income	-0.2%	3.4%	7.2%	8.5%	5.9%	4.9%	5.2%	5.3%
<i>Lehman Agg</i>	0.3%	3.0%	5.9%	7.0%	5.6%	4.6%	4.5%	4.4%

FYTD Returns vs Benchmark



	Month	3 MO	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
<i>U.S./Global Equity Managers</i>								
Mellon S&P 500 Fund	-0.6%	-2.9%	-0.5%	6.6%	11.5%	9.4%	9.8%	13.3%
Mellon Mid and Small	-0.8%	-5.5%	-7.1%	0.1%	6.6%	7.6%	10.1%	16.0%
Peregrine	-2.1%	-3.4%	1.0%	8.2%	5.9%	6.3%	4.9%	9.1%
S&P 500 Growth	-0.4%	-0.8%	3.4%	9.7%	9.8%	7.6%	7.3%	10.7%
Tukman	-0.7%	-1.3%	0.7%	4.0%	9.4%	4.9%	4.9%	7.7%
S&P 500	-0.7%	-3.3%	-1.4%	5.2%	10.4%	8.5%	9.1%	12.8%
Mtn. Pacific	0.0%	-2.4%	-2.0%	8.7%	11.6%	9.0%	10.9%	13.8%
TCW Dom	-0.9%	-6.3%	-9.3%	0.2%	6.9%	7.0%	8.0%	15.4%
D. Smith	-1.2%	-4.6%	-11.7%	-3.7%	11.0%	10.5%	13.8%	19.7%
Russell 2500	-0.3%	-4.0%	-6.4%	3.4%	9.6%	9.1%	11.3%	17.5%
Barings	0.2%	3.3%	7.8%	18.8%	19.3%	16.3%	15.5%	18.5%
Bernstein Global	-1.7%	-5.1%	-5.1%	3.2%	16.0%	15.7%	16.0%	21.1%
Brandes	-4.3%	-6.2%	-7.2%	2.7%	14.6%	12.0%	13.9%	20.2%
Cap Guardian	-1.8%	-3.4%	-0.2%	9.0%	12.3%	12.1%	12.0%	17.1%
Fortis	-0.5%	1.6%	6.0%					
Zesiger (Public)	3.8%	8.9%	13.0%	36.6%	33.3%	28.5%	22.2%	30.9%
Zesiger (Total)	3.7%	8.5%	12.5%	35.3%	32.3%	28.1%	21.6%	28.7%
R3000	-0.6%	-3.3%	-1.8%	5.1%	10.3%	8.9%	9.6%	13.6%
World Index	-1.4%	-2.4%	0.0%	9.4%	14.9%	13.3%	13.8%	17.5%
Private Equity	0.1%	1.6%	9.5%	22.5%	16.3%	22.1%	21.4%	17.8%
R3000	-0.6%	-3.3%	-1.8%	5.1%	10.3%	8.9%	9.6%	13.6%
Adelante	-7.0%	-16.3%	-17.7%	-21.6%	4.4%	7.6%	18.9%	16.2%
Real Estate	-1.5%	-4.7%	-4.8%	0.7%	12.8%	13.1%	17.8%	20.8%
NCREIF	1.2%	3.6%	8.3%	17.3%	17.5%	18.0%	16.6%	14.8%
WREIT	-5.2%	-14.0%	-16.1%	-21.4%	3.5%	6.9%	12.9%	14.8%
<i>International Equity Managers</i>								
Index Fund	-2.3%	-1.8%	0.5%	10.7%	18.2%	16.5%	17.3%	21.3%
Mondrian	-1.5%	0.2%	1.8%	12.4%	21.6%	18.8%	19.8%	24.3%
International Index	-2.2%	-1.7%	0.5%	11.6%	19.0%	17.3%	18.2%	22.1%
Bernstein Em. Mkt	-0.4%	0.2%	10.1%	32.9%	32.1%	31.0%	32.5%	41.1%
Genesis Em. Mkts	1.6%	2.9%	10.4%	29.2%	29.5%	31.9%	31.7%	37.1%
Emerging Mkts	0.4%	3.7%	18.7%	39.8%	36.1%	35.6%	33.1%	37.5%

	Month	3 MO	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Fixed Income Managers								
Barings Fixed	0.3%	3.3%	7.3%	8.6%	6.4%	5.3%	5.3%	5.5%
Western	-0.7%	1.0%	3.4%	4.6%	5.4%	4.5%	4.6%	5.4%
Fidelity	0.4%	2.4%	4.3%	5.5%	5.2%			
Lehman Agg.	0.3%	3.0%	5.9%	7.0%	5.6%	4.6%	4.5%	4.4%
DBF MBS	0.3%	3.0%	5.6%	6.7%	6.0%	4.8%	4.6%	4.2%
Clearwater	0.0%	2.9%	5.6%	6.4%	5.8%	4.7%	4.8%	4.5%
Lehman Mort.	0.3%	3.1%	5.8%	6.8%	6.0%	4.9%	4.8%	4.5%
Idaho Mort.	-1.0%	3.9%	8.6%	10.7%	7.6%	6.2%	5.6%	4.7%
Gov/Corp Fund	0.1%	3.1%	6.3%	7.4%	5.6%	4.5%	4.4%	4.5%
Gov/Corp Index	0.2%	3.1%	6.2%	7.4%	5.6%	4.5%	4.4%	4.5%
Western (12/06)	-0.2%	4.9%	9.6%	11.6%	6.6%	5.0%		
TIPS	-0.6%	4.6%	10.2%	11.2%	5.5%	4.8%	6.0%	6.7%
Lehman TIPS	-0.2%	5.0%	9.7%	11.6%	5.9%	4.9%	3.7%	4.5%

PRIVATE EQUITY

	Month	3 MO	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Private Real Estate	1.5%	2.5%	3.5%	17.9%	11.4%	11.4%	11.7%	11.6%
NCREIF	1.2%	3.6%	8.3%	17.3%	17.5%	18.0%	16.6%	14.8%
Private Equity	0.1%	1.6%	9.5%	22.5%	16.3%	22.1%	21.4%	17.8%
Russell 3000	-0.6%	-3.3%	-1.8%	5.1%	10.3%	8.9%	9.6%	13.6%

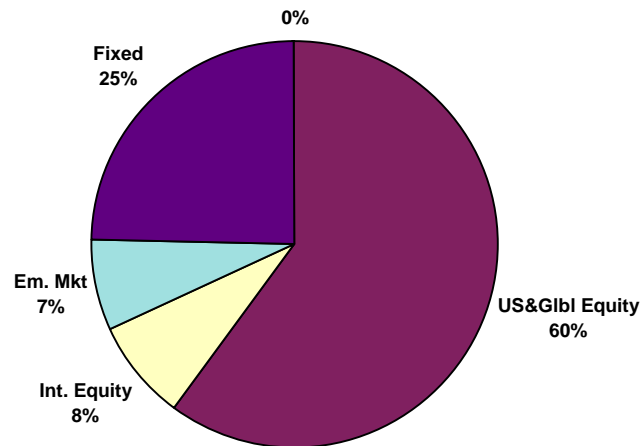
IMPACT OF POLICIES AND ACTIVE MANAGEMENT ON TOTAL FUND RETURN:

	Month	3 MO	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr
Base 55-15-30 Return	-0.59%	-1.18%	0.87%	6.6%	10.2%	8.9%	9.4%	12.1%
PERSI vs 55-15-30 (+/-)	-0.02%	0.92%	1.45%	3.8%	2.9%	2.9%	2.6%	2.5%
Actual Rebalance	-0.04%	-0.32%	-0.44%	-0.2%	0.1%	0.0%	0.1%	0.1%
Global vs R3000	-0.04%	0.72%	0.82%	1.9%	1.7%	1.5%	1.2%	1.4%
REITS vs R3000	-0.13%	-0.28%	-0.35%	-0.6%	0.0%	0.1%	0.3%	0.2%
Emerging Mkts vs EAFE	0.20%	0.24%	0.72%	1.2%	0.7%	0.7%	0.6%	0.6%
TIPS vs Leh Agg	-0.07%	0.13%	0.31%	0.3%	0.0%	0.0%	0.1%	0.2%
Idaho Mortgages vs Agg	-0.03%	0.02%	0.06%	0.1%	0.0%	0.0%	0.0%	0.0%
Private Equity vs. R3000	0.04%	0.24%	0.47%	0.6%	0.2%	0.3%	0.3%	0.1%
Private Realty vs R3000	0.08%	0.20%	0.17%	0.4%	0.1%	0.1%	0.0%	0.0%
Currency Overlay	0.00%	-0.01%	-0.04%	-0.1%	-0.1%	0.0%	0.0%	0.0%
Active US Only	-0.01%	0.05%	0.02%	0.1%	0.1%	0.1%	0.2%	0.0%
Active EAFE	0.02%	0.06%	0.04%	-0.1%	-0.1%	0.0%	-0.1%	-0.1%
Other Bond	-0.02%	-0.05%	-0.08%	-0.1%	0.0%	0.0%	0.0%	0.0%
Interactive and Other	-0.02%	-0.07%	-0.24%	0.2%	0.2%	0.0%	-0.1%	0.0%

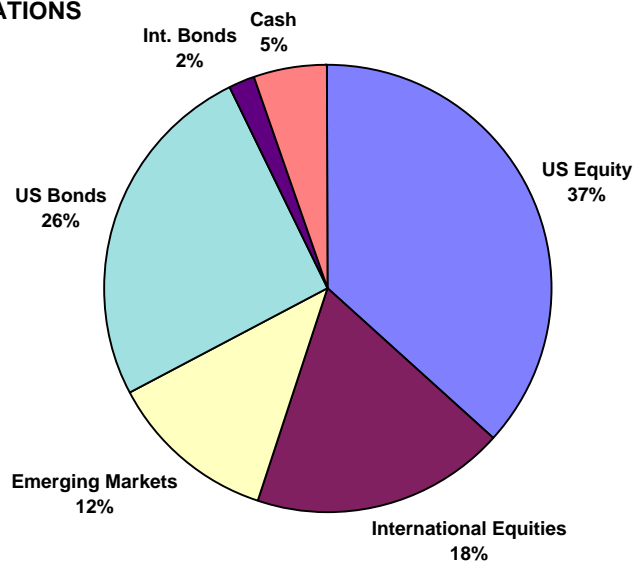
MJ Managers	-0.05%	-0.24%	-0.73%	-0.54%	-0.10%	-0.01%		
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ACCOUNT	AMOUNT	ALLOCATION
U.S./GLOBAL EQUITY	\$ 6,926,478,775	59.2%
LARGE CAP	\$1,906,180,859	16.3%
Mellon S&P 500	\$1,375,656,101	11.8%
Tukman	\$334,843,238	2.9%
Peregrine	\$195,681,520	1.7%
SMALL CAP	\$1,064,986,653	9.1%
Mellon Midcap	\$196,688,572	1.7%
Mellon R2000	\$138,375,302	1.2%
Mountain Pacific	\$301,222,648	2.6%
TCW Dom.	\$194,363,790	1.7%
D. Smith	\$234,336,340	2.0%
GLOBAL	\$2,692,105,971	23.0%
Barings	\$392,808,065	3.4%
Bernstein Gl.	\$347,871,105	3.0%
Cap Guardian	\$438,954,181	3.8%
Brandes	\$639,689,230	5.5%
Zeisiger (Public)	\$604,708,616	5.2%
Fortis	\$268,074,774	2.3%
PRIVATE EQUITY	\$ 620,898,269	5.3%
REAL ESTATE	\$642,307,023	5.5%
Private Real Estate	\$424,763,058	3.6%
Adelante	\$217,543,965	1.9%
INTERNATIONAL EQUITY	\$ 1,767,361,829	15.1%
Mellon Index	\$544,718,845	4.7%
Mondrian	\$383,824,380	3.3%
Genesis	\$419,995,662	3.6%
Bernstein Emg.	\$422,265,723	3.6%
Pareto Partners	-\$3,442,780	0.0%
FIXED INCOME	\$2,944,431,895	25.2%
State Street	\$582,727,274	5.0%
Barings	\$244,489,693	2.1%
Western	\$226,928,827	1.9%
Fidelity	\$225,873,499	1.9%
DBF MBS	\$176,543,864	1.5%
Idaho Mortgage	\$315,169,616	2.7%
Clearwater	\$171,702,968	1.5%
Western TIPS	\$290,681,038	2.5%
TIPS	\$710,315,117	6.1%
CASH AND OTHER	\$ 58,018,987	0.5%
TOTAL	\$ 11,696,291,486	

TOTAL FUND ALLOCATIONS
By Manager Benchmark



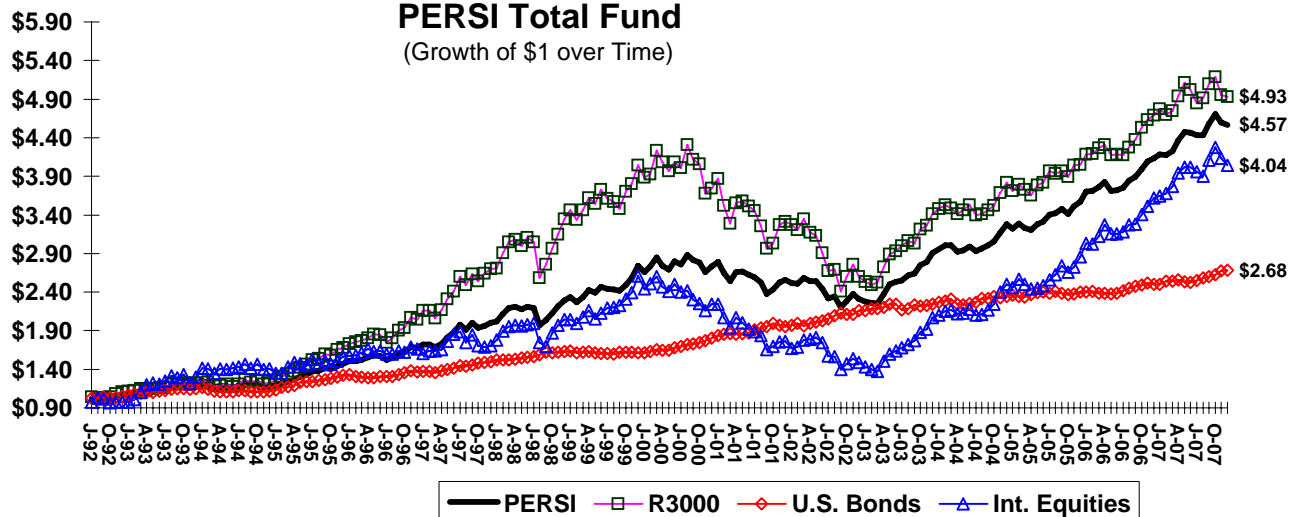
TOTAL FUND ALLOCATIONS
As Invested



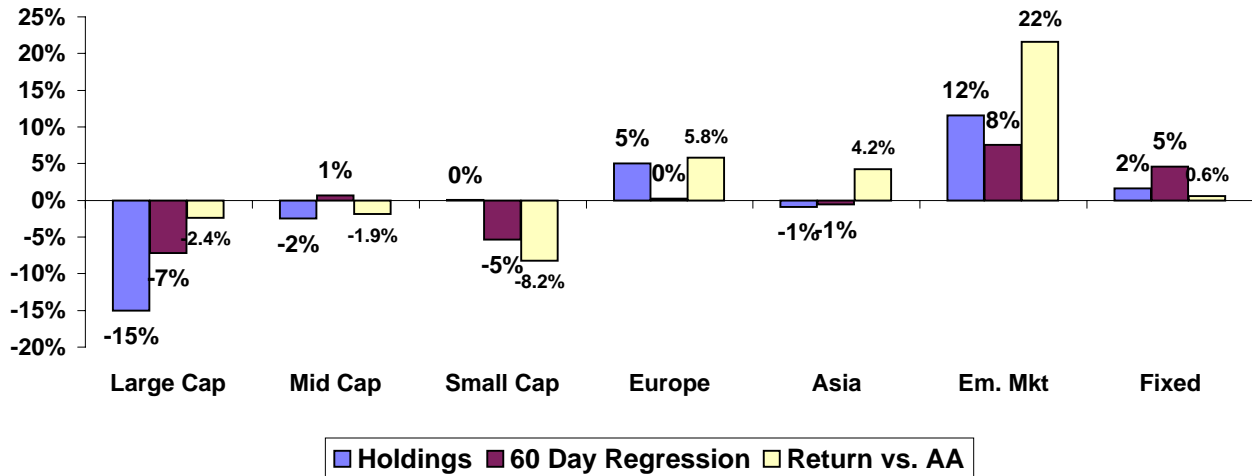
CUMULATIVE RETURN VS. BENCHMARKS

PERSI Total Fund

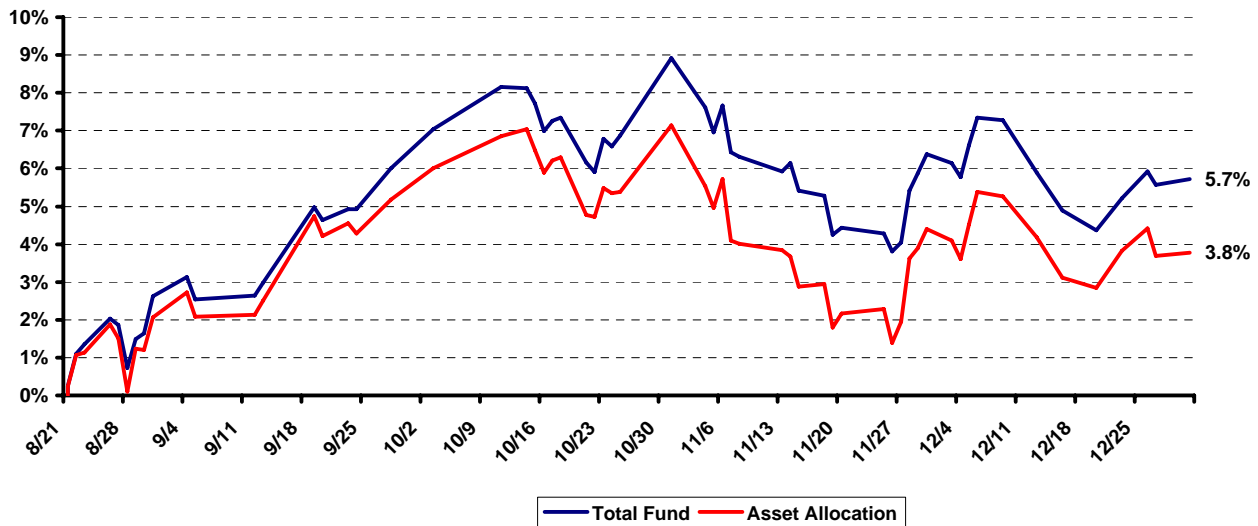
(Growth of \$1 over Time)



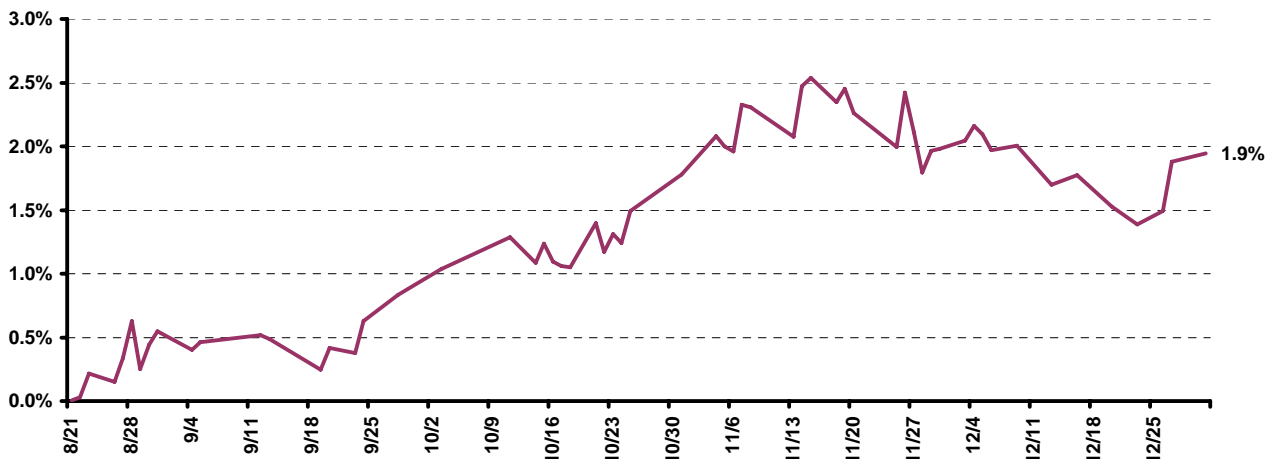
Changes from Asset Allocation

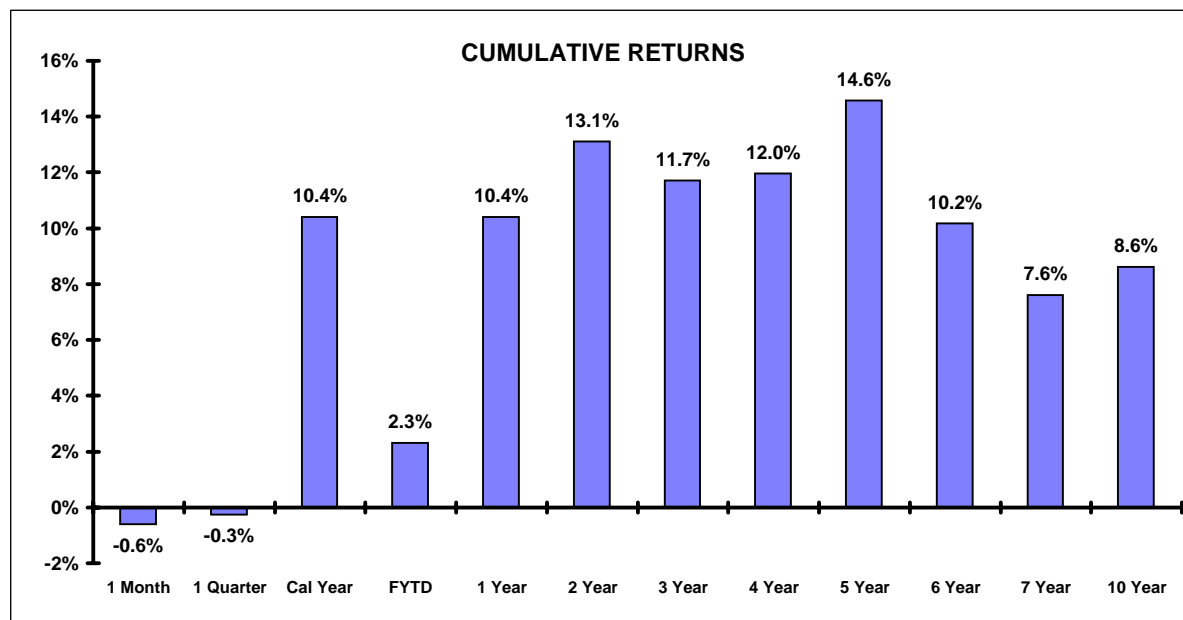
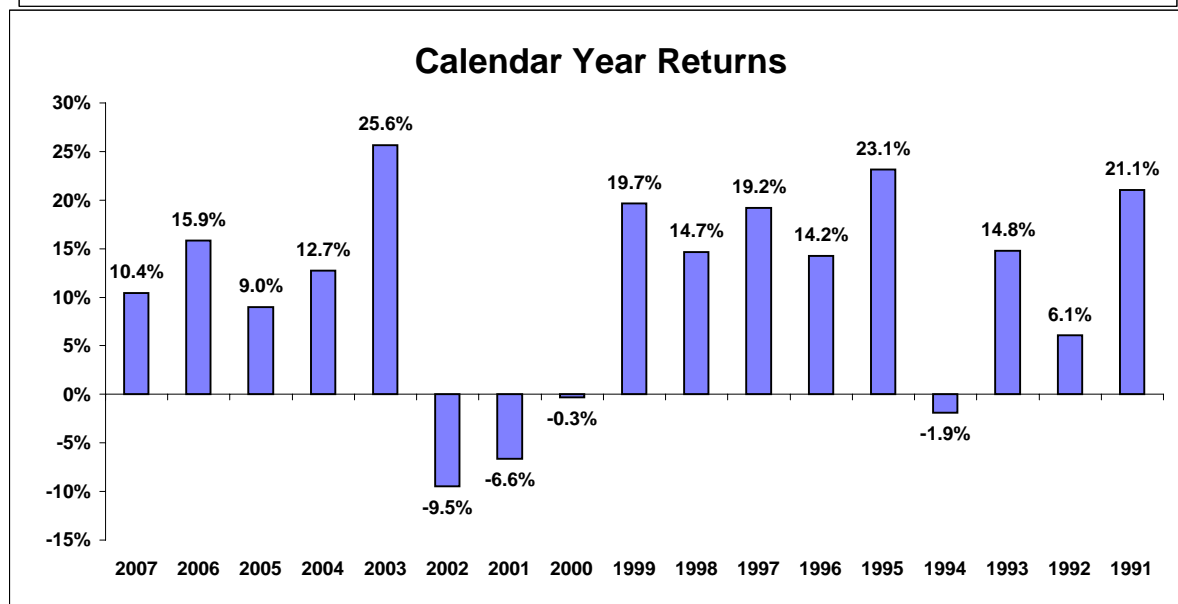
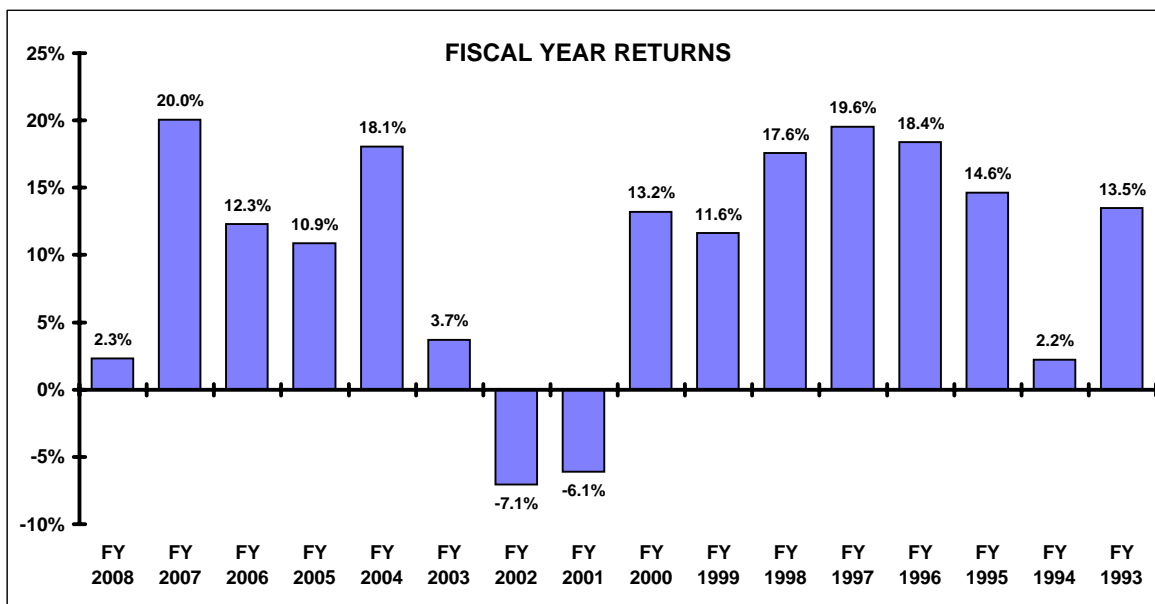


Recent Cumulative Returns

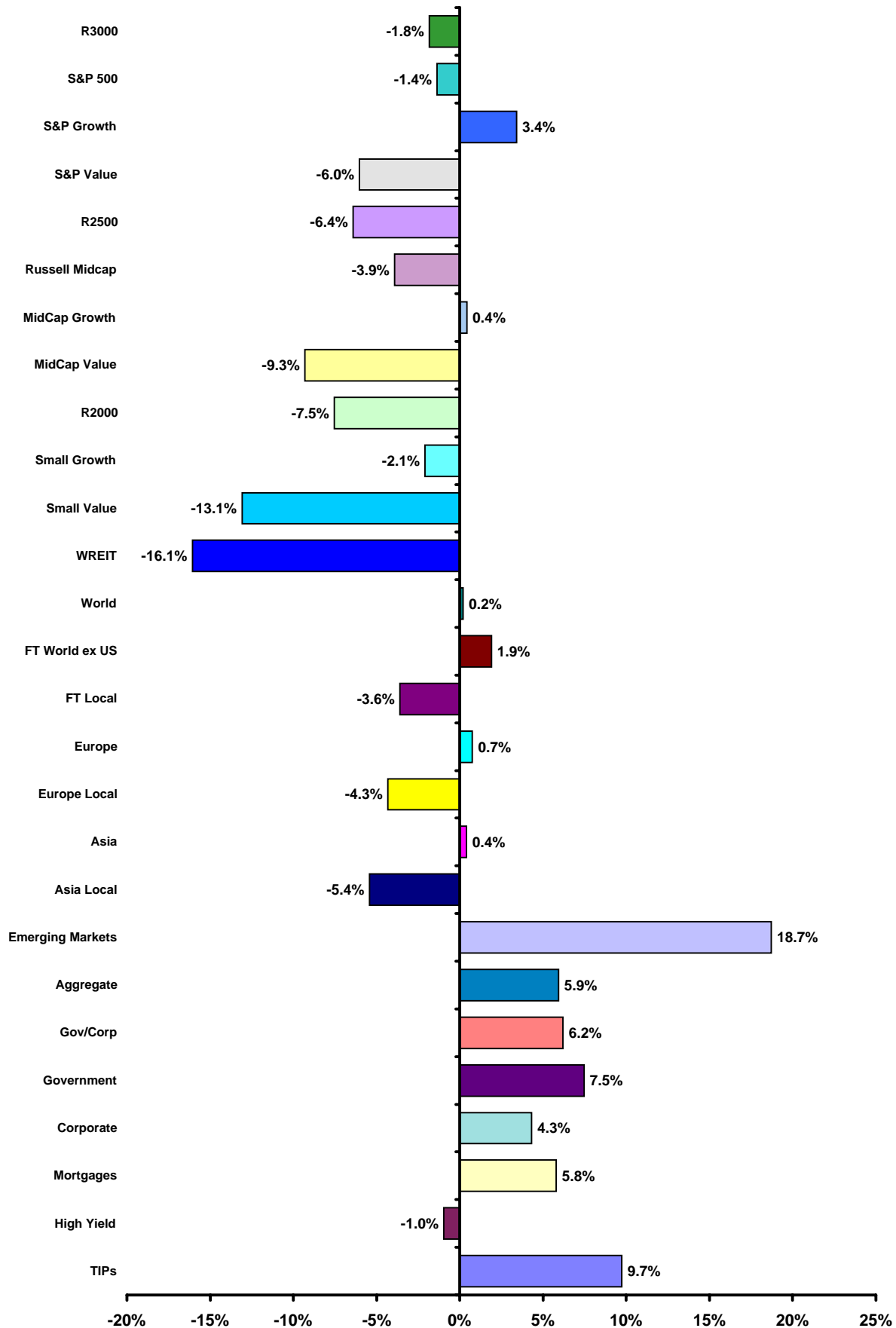


Short-Term Cumulative Returns vs Benchmark





FYTD Benchmark Returns



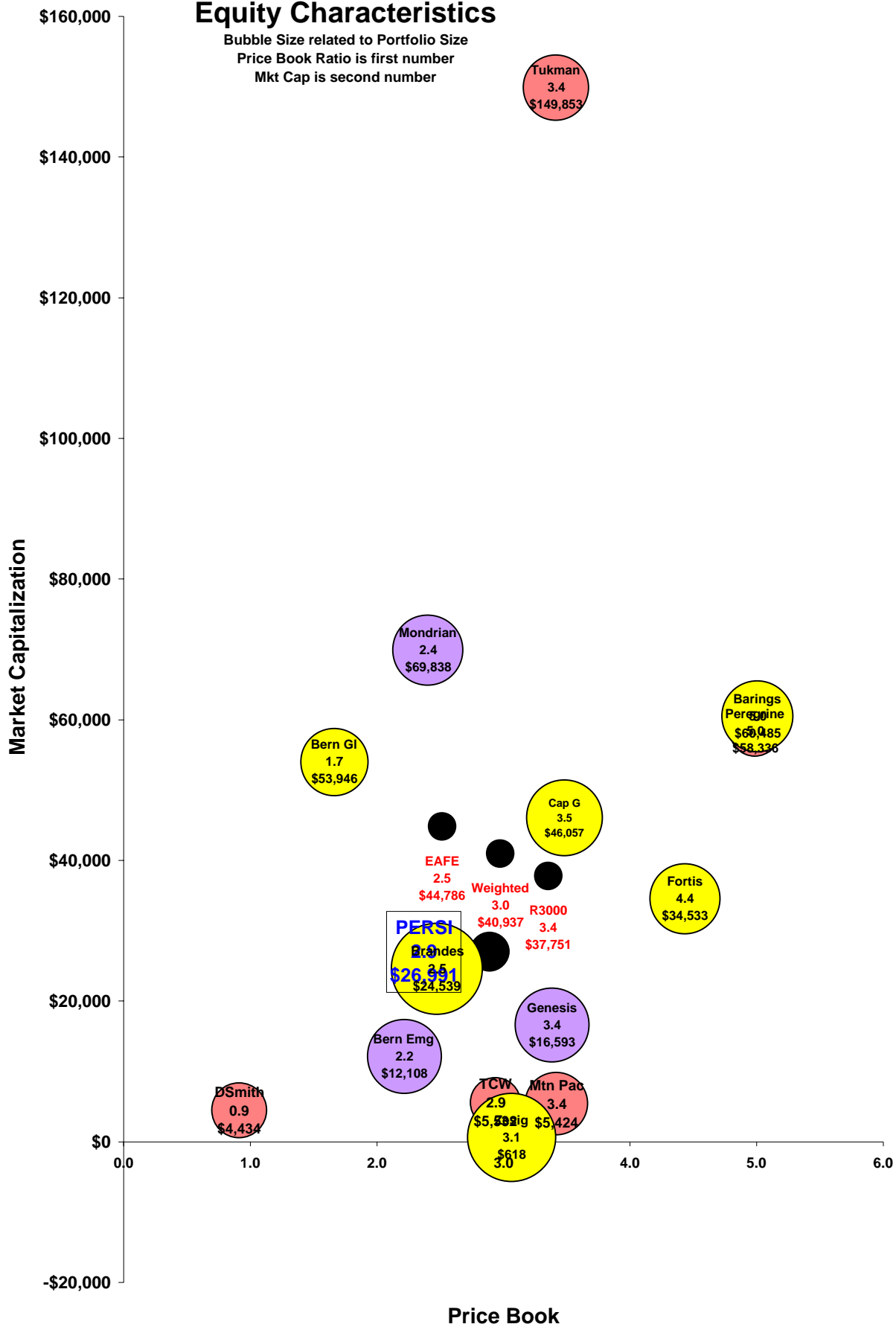
Fiscal Year to Date Returns

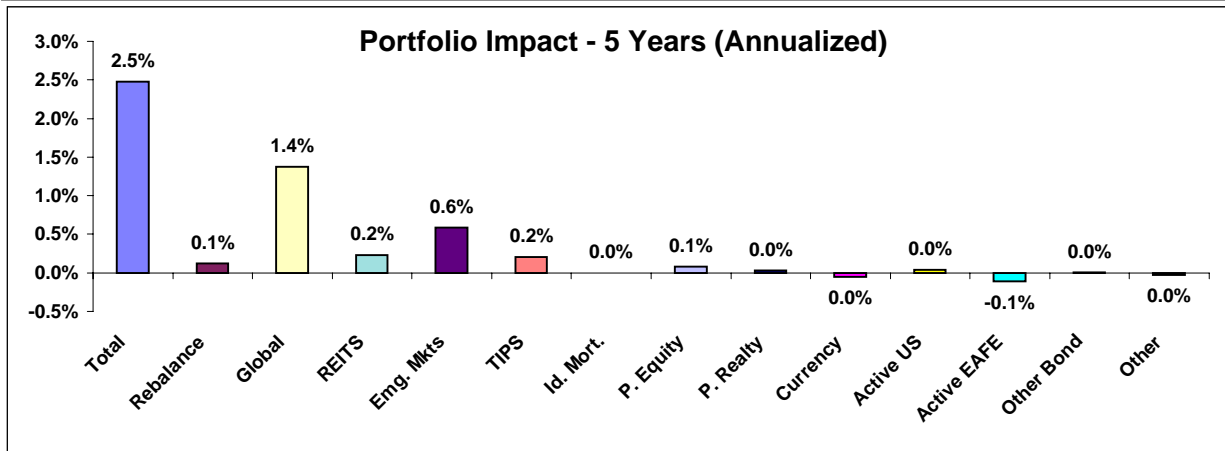
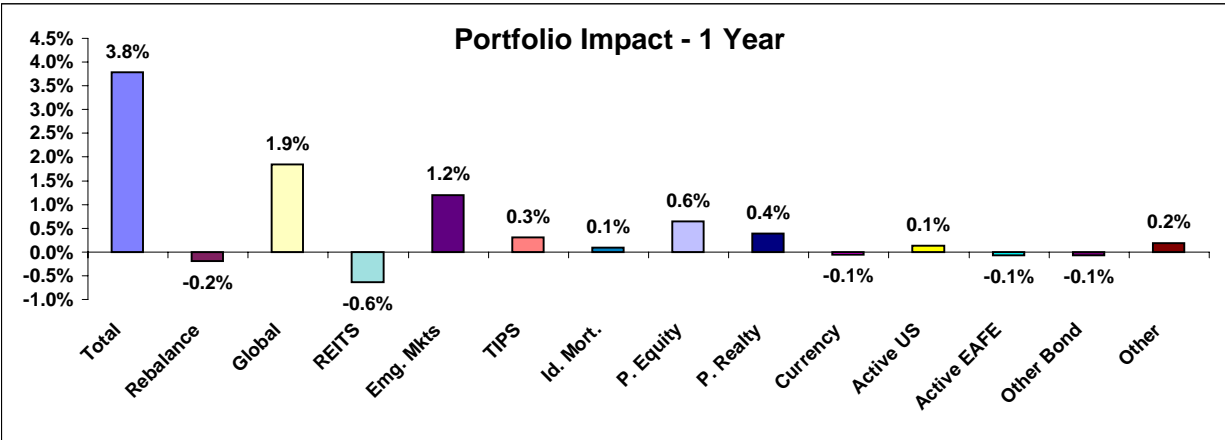
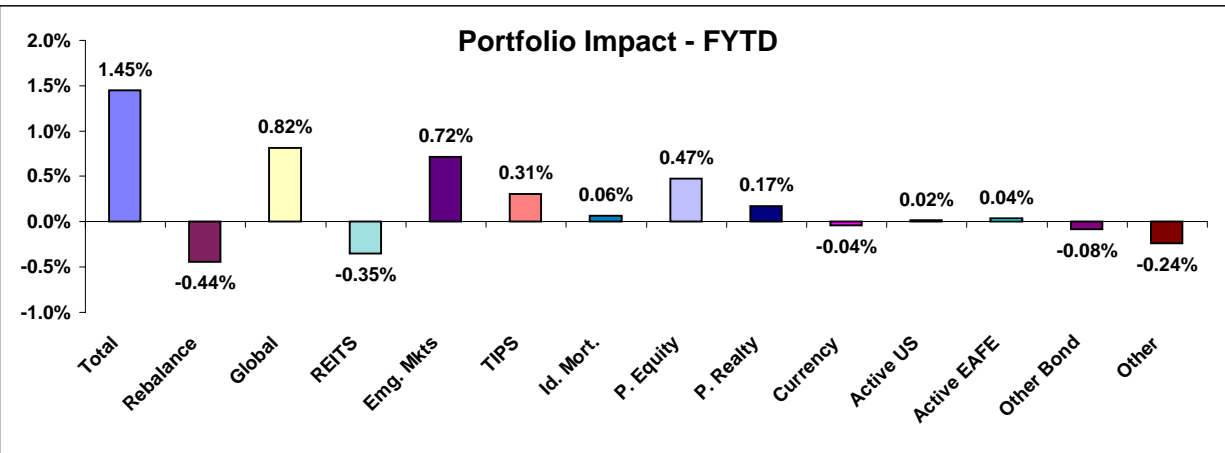
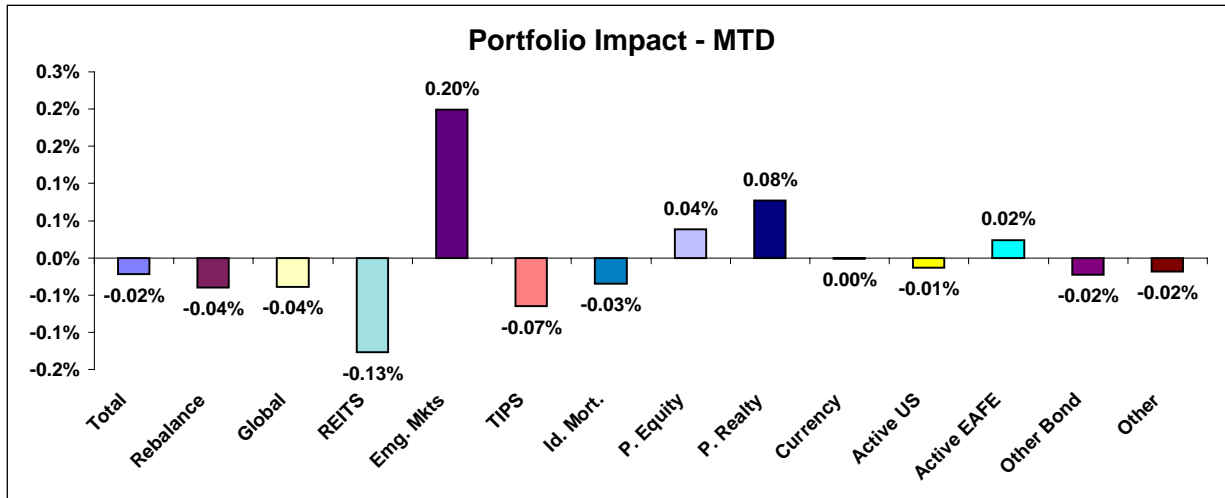
Bubble Size related to Portfolio Size
Excess Return is first number
Total Return is second number



Equity Characteristics

Bubble Size related to Portfolio Size
Price Book Ratio is first number
Mkt Cap is second number



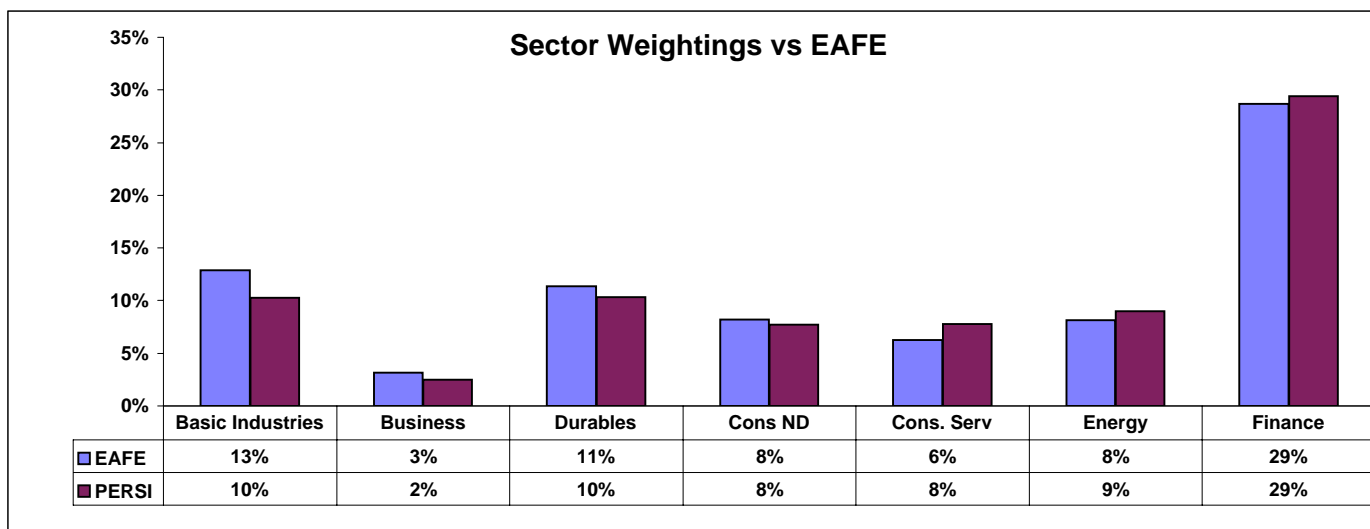
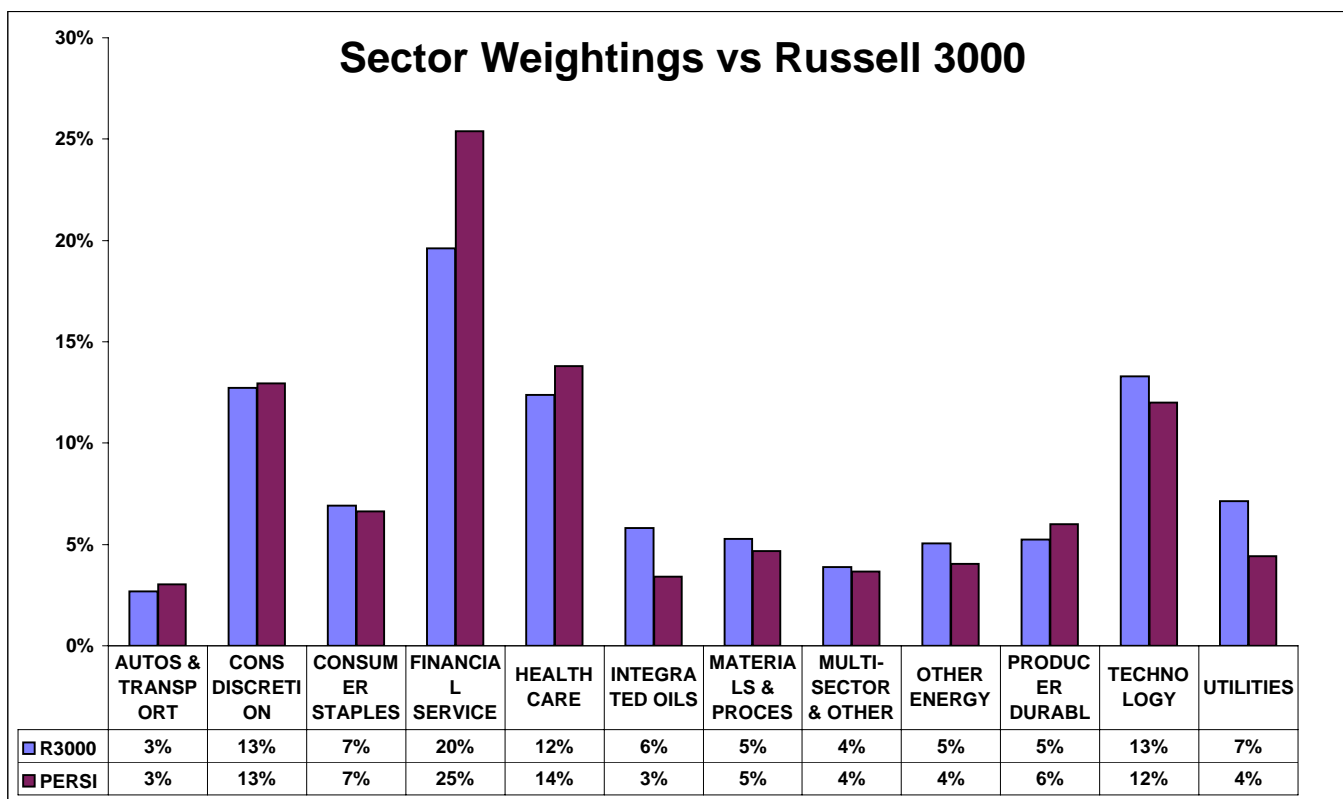
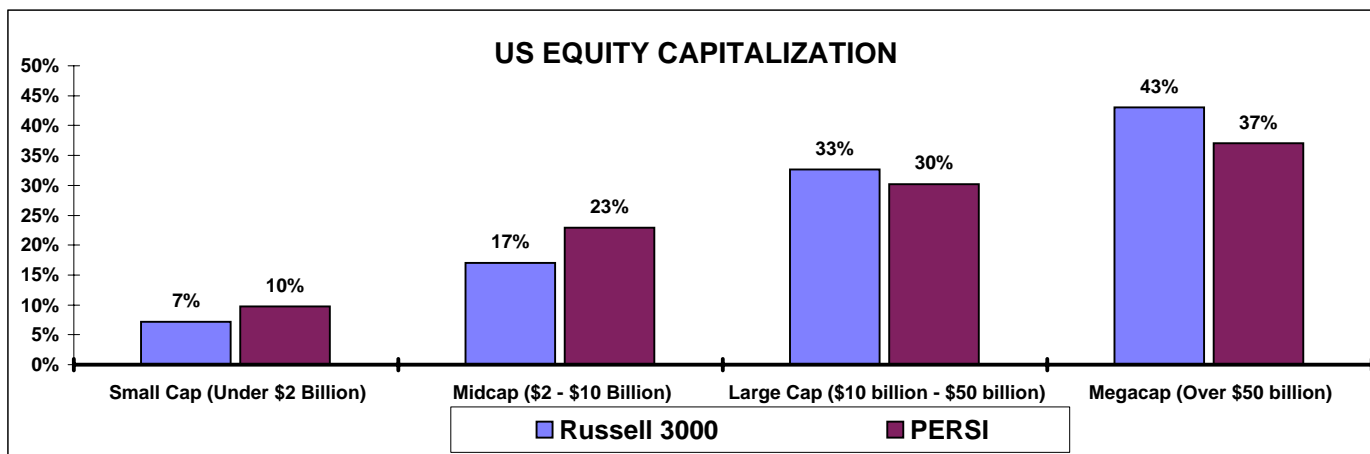


LARGEST HOLDINGS

TOTAL FUND		ACTIVE EQUITY MANAGERS			
ISSUE NAME	%	Manager	Amount	Holding	%
US TREAS-CPI INFLATION INDEX	8.7%	Peregrine	\$ 18,657,464	GOLDMAN SACHS GROUP INC COM	9.3%
PERSI STIF	4.6%	Tukman	\$ 30,189,440	IBM CORP COM	8.9%
IDAHO MORTGAGES-FSB	2.8%	D. Smith	\$ 20,404,314	FLEXTRONICS INTERNATIONAL LTD	8.4%
KOLL-PERS LLC	2.6%	Mtn. Pacific	\$ 12,526,800	DONALDSON INC	4.1%
COMMIT TO PUR FNMA SF MTG	2.4%	Lend Lease	\$ 24,403,200	VORNADO RLTY TR COM	10.2%
U S TREASURY NOTES	1.5%	TCW Domestic	\$ 5,750,414	JOY GLOBAL INC	2.9%
U S TREASURY BONDS	0.9%	Barings Equity	\$ 7,600,936	TOTAL SA EUR2.5	2.0%
OLYMPIC/IDA FUND II LLC	0.8%	Brandes	\$ 22,788,962	DEUTSCHE TELEKOM AG NPV (REGD)	3.4%
COMMIT TO PUR FHLMC GOLD SFM	0.7%	Cap Guardian	\$ 11,792,154	BARRICK GOLD CORP	2.6%
GENERAL ELEC CO COM	0.7%	Bernstein Gbl	\$ 10,448,540	ALTRIA GROUP INC	3.0%
MICROSOFT CORP COM	0.7%	Fortis	\$ 7,987,034	MONSANTO CO NEW COM	2.9%
AMERICAN INTL GROUP INC COM	0.6%	Zesiger	\$ 26,070,000	URANIUM RES INC COM PAR \$0.001	4.3%
JOHNSON & JOHNSON COM	0.6%				
EXXON MOBIL CORP	0.5%	Mondrian	\$ 14,358,581	TELEFONICA SA EUR1	3.7%
GOLDMAN SACHS GROUP INC COM	0.5%	Genesis	\$ 14,786,602	GAIL (INDIA) LD GDR EACH REP 6	3.5%
IBM CORP COM	0.5%	Bernstein Emg.	\$ 16,246,947	CHINA PETROLEUM AND CHEMICAL	3.8%
COMMIT TO PUR GNMA SF MTG	0.4%				
PFIZER INC COM STK USD0.05	0.4%				
GOOGLE INC CL A	0.4%				
PROCTER & GAMBLE CO COM	0.4%				
SAMSUNG ELECTRS KRW5000	0.4%				
PEPSICO INC COM	0.4%				
WAL MART STORES INC COM	0.4%				
CISCO SYS INC COM	0.3%				
SUMITOMO MITSUI GR NPV	0.3%				
WELLS FARGO & CO NEW COM	0.3%				
AT & T INC COM	0.3%				
ALTRIA GROUP INC	0.3%				
GLAXOSMITHKLINE ORD GBP0.25	0.3%				
COCA COLA CO COM	0.3%				
CITIGROUP INC COM	0.3%				
DEUTSCHE TELEKOM AG NPV (REGD)	0.3%				
TELEFONICA SA EUR1	0.3%	Total Top 36	35.9%		
SANOFI-AVENTIS EUR2	0.3%				
BANK OF AMERICA CORP	0.3%				
INTEL CORP	0.3%				

Domestic Equity Characteristics (Wgt Median)

	P/E	P/B	Yield	Mkt Cap	5Y Earn G	ROE 5 yr
PERSI	19.8	3.3	1.4%	\$ 24,725	14.5%	17.9%
<i>R3000</i>	<i>19.0</i>	<i>3.4</i>	<i>1.5%</i>	<i>\$ 37,751</i>	<i>16.2%</i>	<i>19.2%</i>
US Only Active	19.0	3.3	1.3%	\$ 26,978	16.0%	19.2%
Peregrine	22.3	5.0	1.0%	\$ 58,336	20.8%	22.4%
Tukman	16.7	3.4	1.9%	\$ 149,853	13.0%	23.1%
Mtn Pacific	21.2	3.4	0.7%	\$ 5,424	17.9%	19.6%
TCW Domestic	21.7	2.9	0.7%	\$ 5,532	13.0%	13.3%
Donald Smith	11.1	0.9	1.3%	\$ 4,434	10.4%	5.0%
Global Managers US	20.2	3.2	1.3%	\$ 30,659	13.8%	17.9%
Barings	20.2	5.0	1.3%	\$ 60,485	16.3%	26.9%
Bernstein	13.5	1.7	2.3%	\$ 53,946	16.8%	15.6%
Brandes	19.8	2.5	2.7%	\$ 24,539	7.2%	15.8%
Cap Guardian	19.6	3.5	1.1%	\$ 46,057	16.8%	19.7%
Fortis	22.7	4.4	0.6%	\$ 34,533	21.4%	21.6%
Zesiger	32.5	3.1	0.0%	\$ 618	10.3%	5.1%
	P/E	P/B	Dividend Yield	Mkt Cap	Ern gwth 5Y	ROE 5 yr
PERSI	18.1	2.9	1.6%	\$ 26,991	16.5%	17.0%
<i>World Weighted</i>	<i>17.6</i>	<i>3.0</i>	<i>1.9%</i>	<i>\$ 40,937</i>	<i>17.3%</i>	<i>17.1%</i>
Global Equity Managers	18.6	2.7	1.5%	\$ 35,247	16.8%	15.5%
<i>Weighted Indices</i>	<i>17.1</i>	<i>2.9</i>	<i>2.0%</i>	<i>\$ 41,934</i>	<i>17.6%</i>	<i>16.4%</i>
Barings	20.1	4.0	1.3%	\$ 22,102	17.7%	17.7%
<i>W.I.</i>	<i>16.9</i>	<i>2.8</i>	<i>2.0%</i>	<i>\$ 42,393</i>	<i>17.8%</i>	<i>16.1%</i>
Bernstein	11.9	1.7	2.7%	\$ 61,436	22.0%	14.3%
<i>W.I.</i>	<i>17.0</i>	<i>2.8</i>	<i>2.0%</i>	<i>\$ 42,219</i>	<i>17.7%</i>	<i>16.2%</i>
Brandes	19.8	2.2	2.7%	\$ 49,838	9.2%	14.0%
<i>W.I.</i>	<i>17.3</i>	<i>2.9</i>	<i>1.9%</i>	<i>\$ 41,591</i>	<i>17.5%</i>	<i>16.6%</i>
Cap Guardian	19.8	3.0	1.4%	\$ 39,978	20.8%	15.7%
<i>W.I.</i>	<i>17.0</i>	<i>2.8</i>	<i>2.0%</i>	<i>\$ 42,111</i>	<i>17.7%</i>	<i>16.3%</i>
Fortis	22.1	4.1	1.2%	\$ 39,777	23.5%	19.8%
<i>W.I.</i>	<i>17.4</i>	<i>2.9</i>	<i>1.9%</i>	<i>\$ 41,313</i>	<i>17.4%</i>	<i>16.8%</i>
Zesiger	18.0	2.6	0.1%	\$ 1,553	16.2%	13.6%
<i>W.I.</i>	<i>17.1</i>	<i>2.8</i>	<i>2.0%</i>	<i>\$ 42,015</i>	<i>17.7%</i>	<i>16.4%</i>
Mellon EAFE	15.8	2.5	2.3%	\$ 44,786	18.6%	14.5%
Mondrian	14.5	2.4	3.5%	\$ 69,838	16.6%	16.9%
Genesis	19.1	3.4	1.0%	\$ 16,593	26.2%	20.6%
Bernstein Emg.	11.6	2.2	2.2%	\$ 12,108	33.3%	18.8%



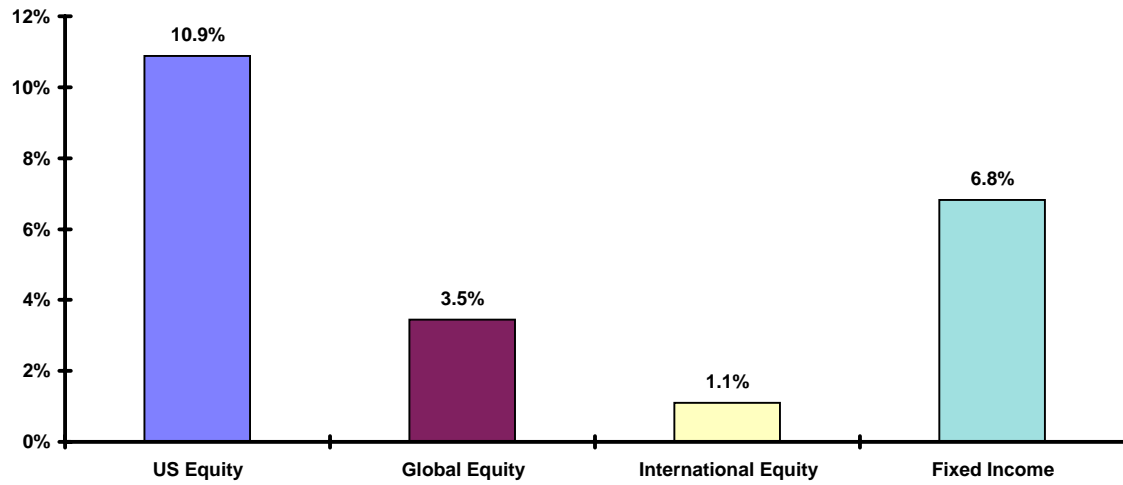
FIXED INCOME PORTFOLIO

Mean Characteristics

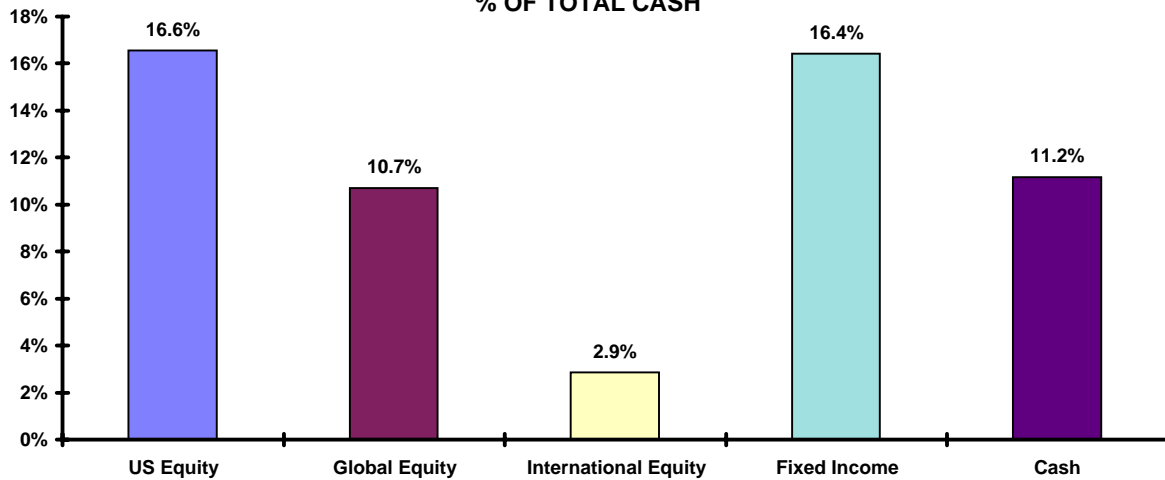
	SSGA G/C	Fx X Mtg,TIPS	Western	Barings	Fidelity	DBF MBS
Coupon Rate	5.54	5.81	8.37	7.19	5.36	5.45
Years to Maturity	7.85	13.12	32.18	22.47	17.36	21.73
Average Price	104.9	110.5	152.2	147.0	98.9	96.0
Moody Qual Code	3	3	7	3	4	1
Moody Qual Rating	AA1	AAA	A1	AA1	AA1	AGY
S&P Qual Code	3	3	7	4	4	1
S&P Qual Rating	A-1+	A-1+	A+	A-1+	A-1+	AGY
DBRS Qual Code	2	0	0	0	4	0
DBRS Qual Rating	AA(HIGH)	-	-	-	AA(LOW)	-
Current Yield	5.15	5.65	8.76	8.02	5.44	5.43
Yield to Maturity	4.88	5.55	10.23	8.55	5.85	5.61
Option Adjusted Duration	5.22	5.17	3.23	6.87	4.47	3.72
Modified Duration	5.34	5.47	5.15	7.43	4.94	4.39
Option Adjusted Convexity	0.50	0.03	-4.16	-0.40	0.05	-1.25
Number of Holdings	1624	1706	421	37	793	45
Market Value	\$ 573,492,496	\$ 908,516,829	\$ 224,223,926	\$ 156,827,493	\$ 222,414,637	\$ 178,196,839

	Total Fixed Inc Mgrs	SSGA-TIPS	Western TIPS	PERSI-STIF
Coupon Rate	4.75	3.40	3.40	0.64
Years to Maturity	15.98	13.89	11.93	0.13
Average Price	112.5	112.6	111.8	94.2
Moody Qual Code	2	0	1	7
Moody Qual Rating	AAA	UST	AAA	A1
S&P Qual Code	2	0	1	6
S&P Qual Rating	AAA	UST	UST	A+
DBRS Qual Code	0	0	0	0
DBRS Qual Rating	-	-	-	-
Current Yield	5.16	2.98	3.14	4.92
Yield to Maturity	5.92	4.49	4.99	5.12
Option Adjusted Duration	6.14	9.00	6.72	0.15
Modified Duration	7.12	10.67	7.97	0.15
Option Adjusted Convexity	0.10	1.31	0.59	0.00
Number of Holdings	2952	7	29	32
Market Value	\$ 2,821,239,974	\$ 697,277,096	\$ 285,654,108	\$ 504,726,915

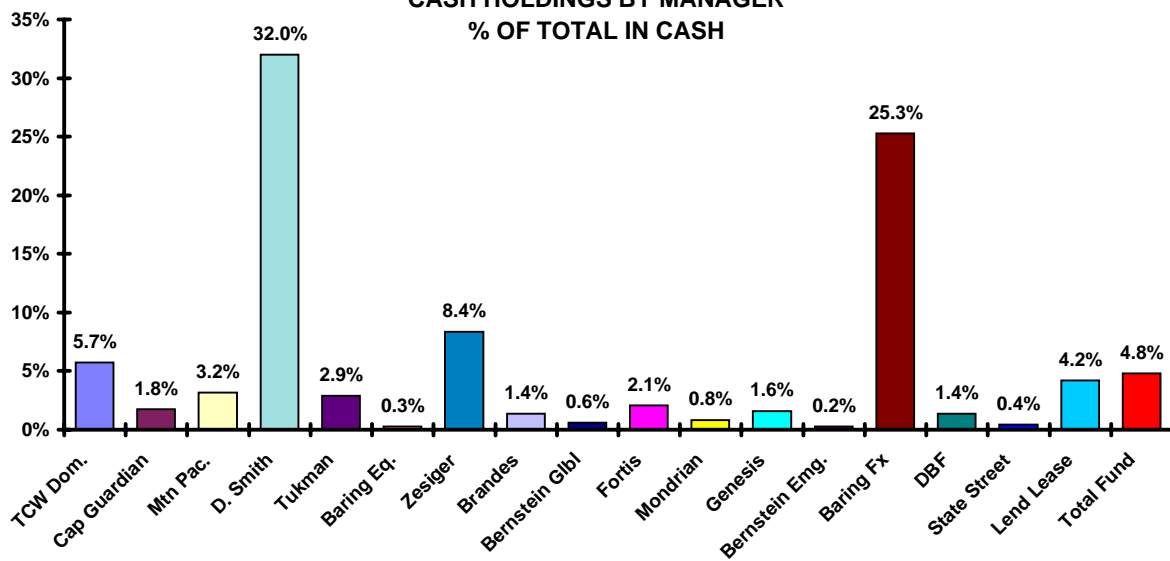
CASH HOLDINGS BY ACTIVE MANAGER ASSET TYPE
% OF ACCOUNT IN CASH

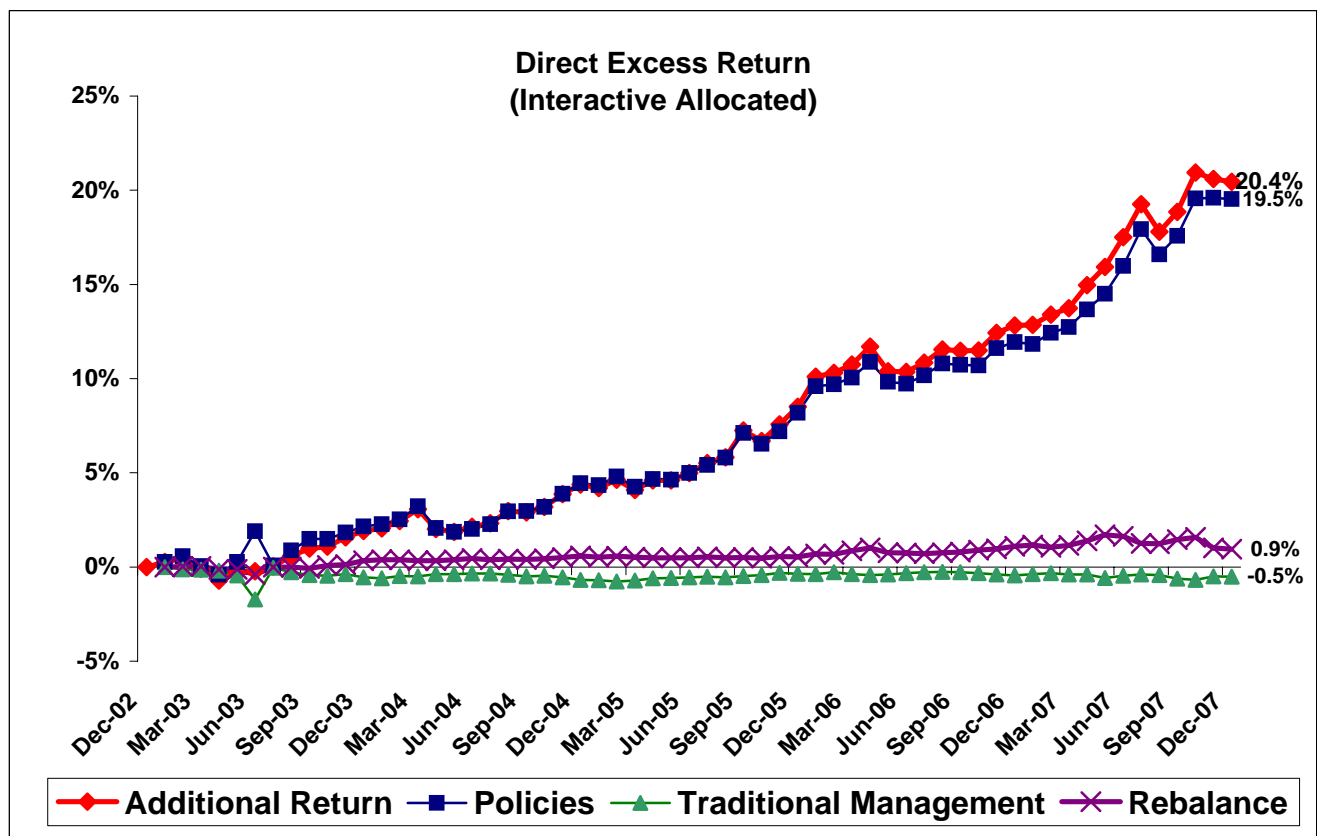
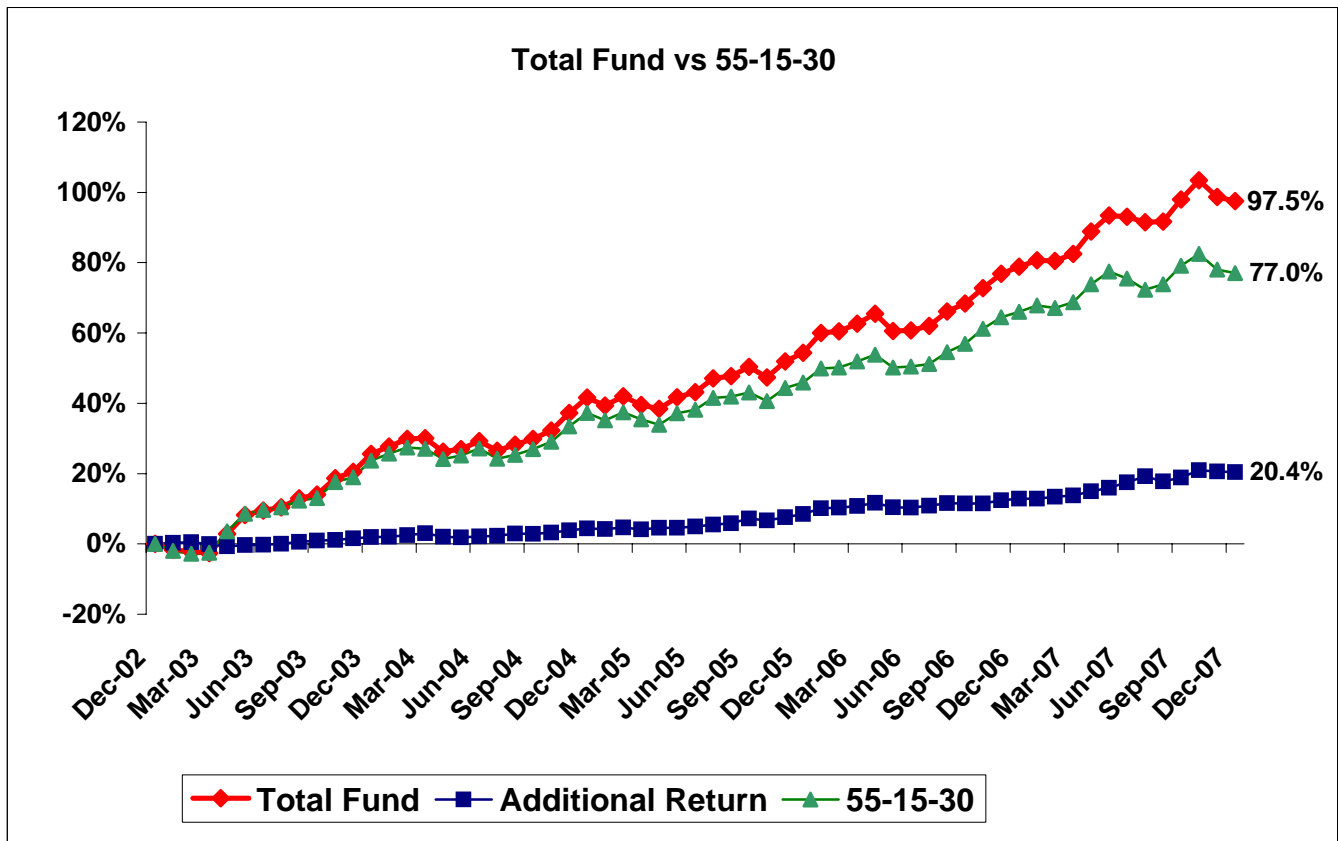


CASH HOLDINGS BY ASSET TYPE
% OF TOTAL CASH

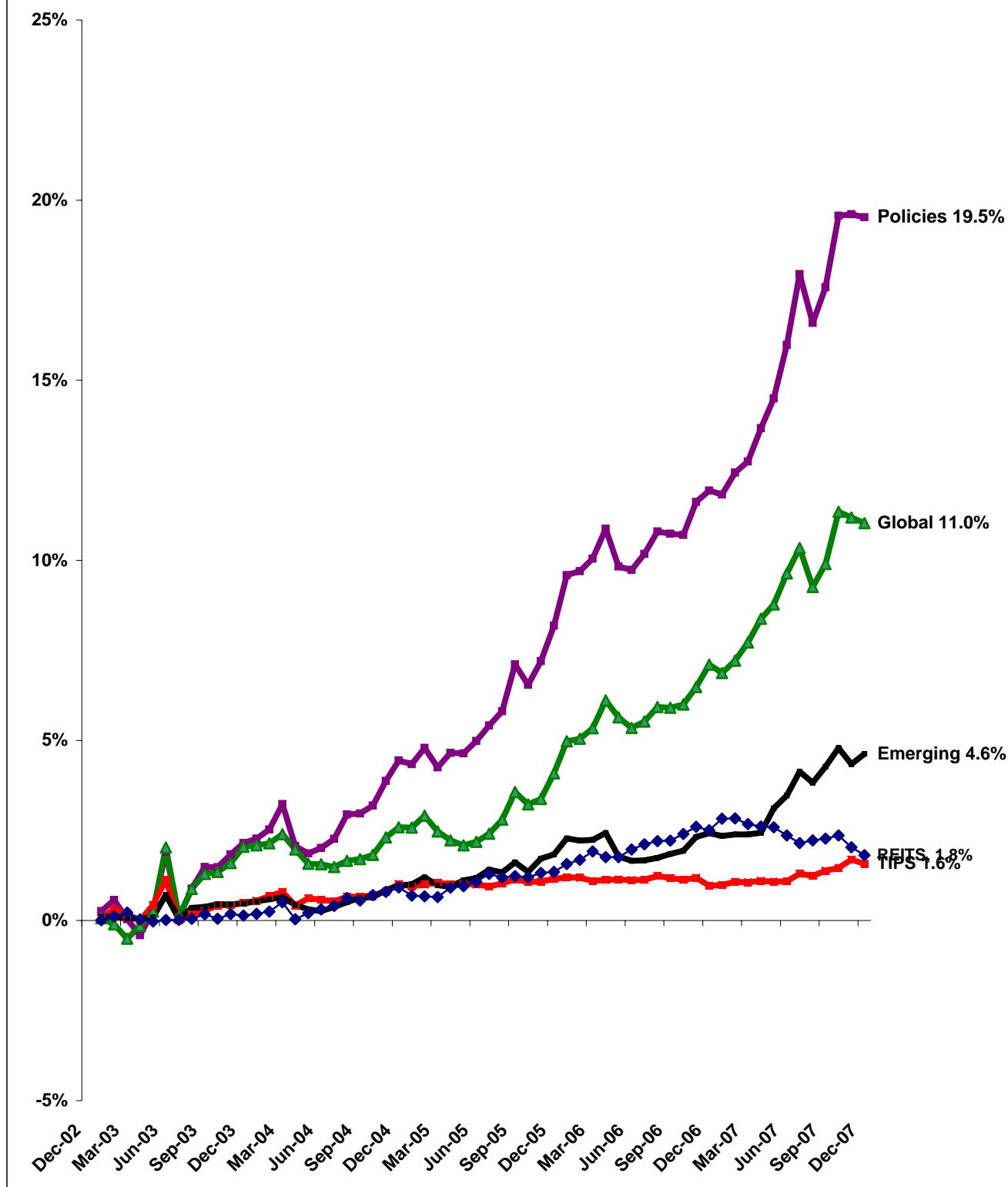


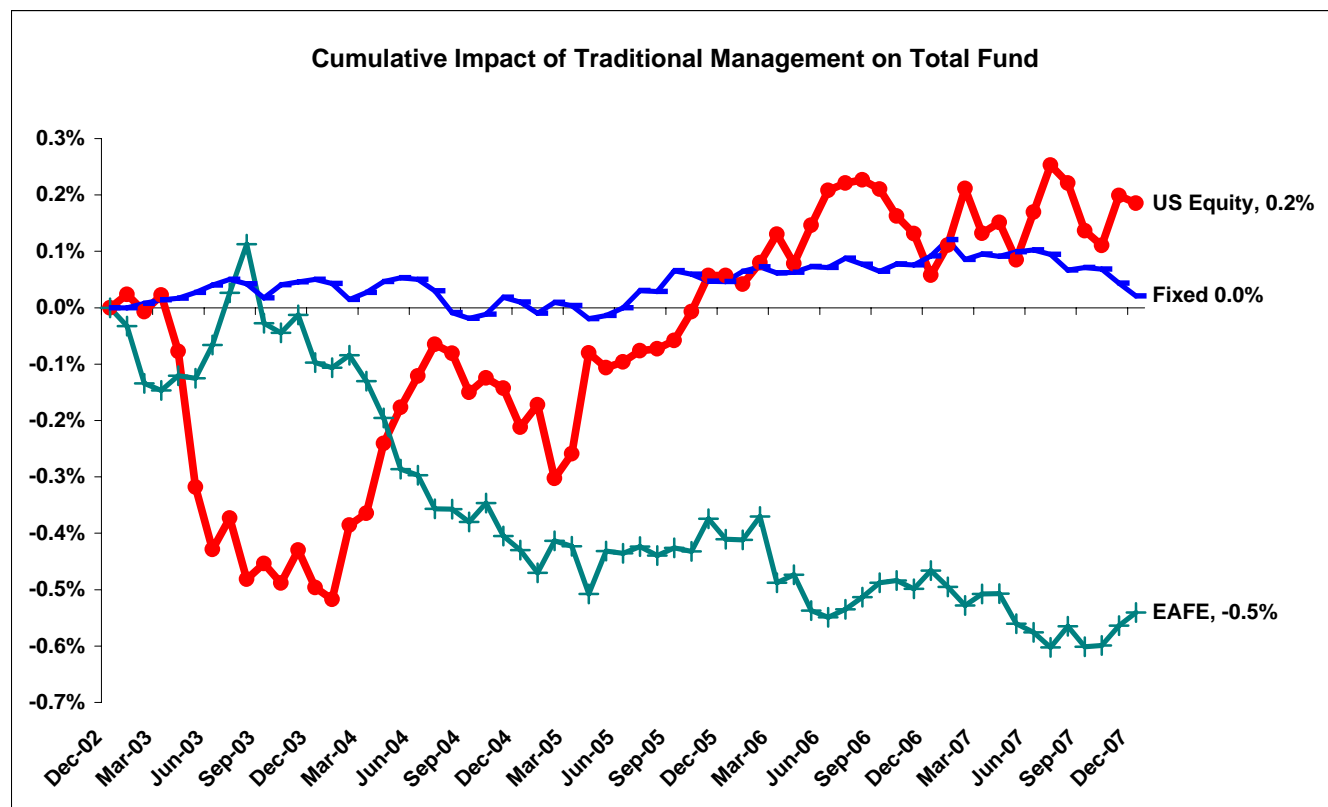
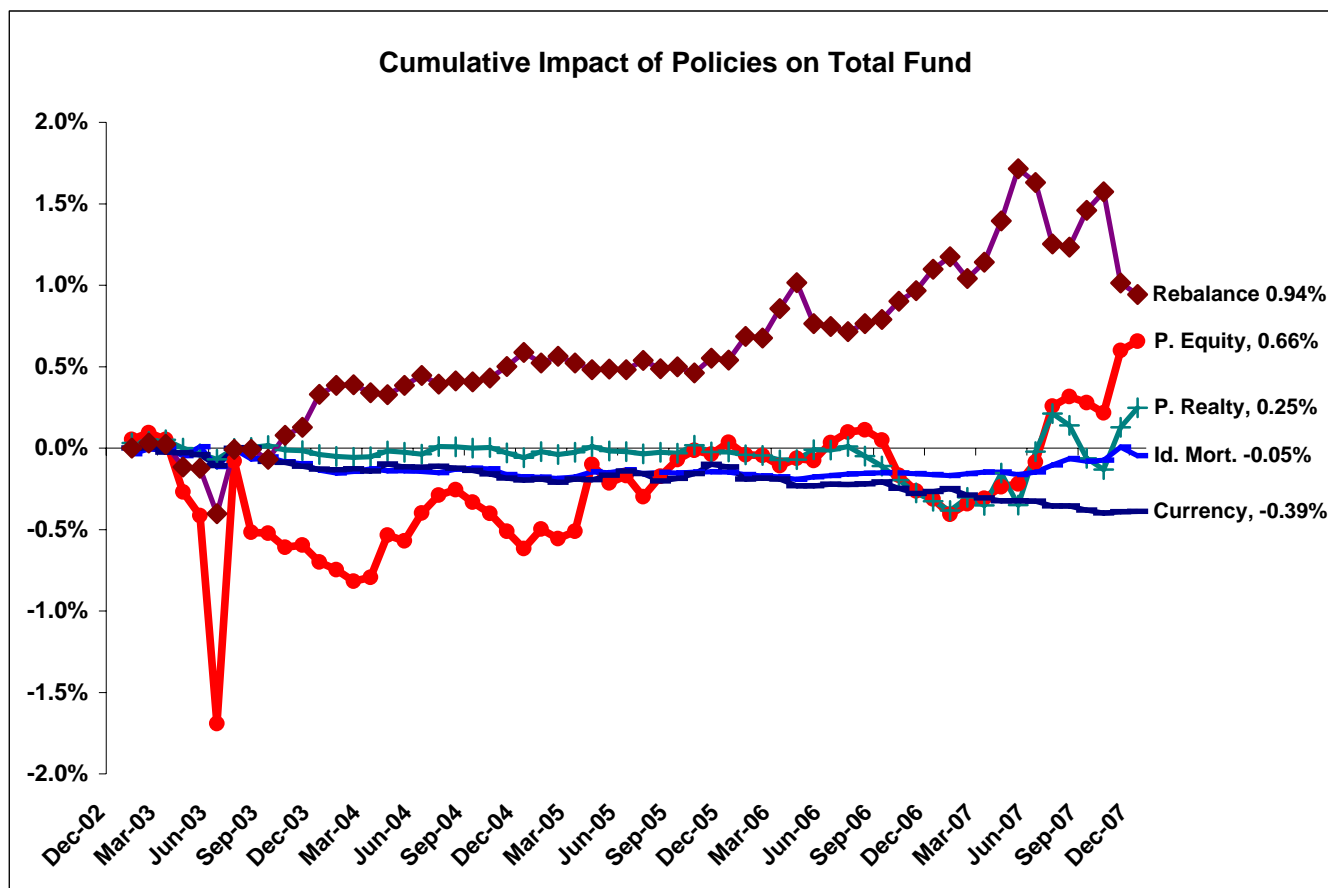
CASH HOLDINGS BY MANAGER
% OF TOTAL IN CASH

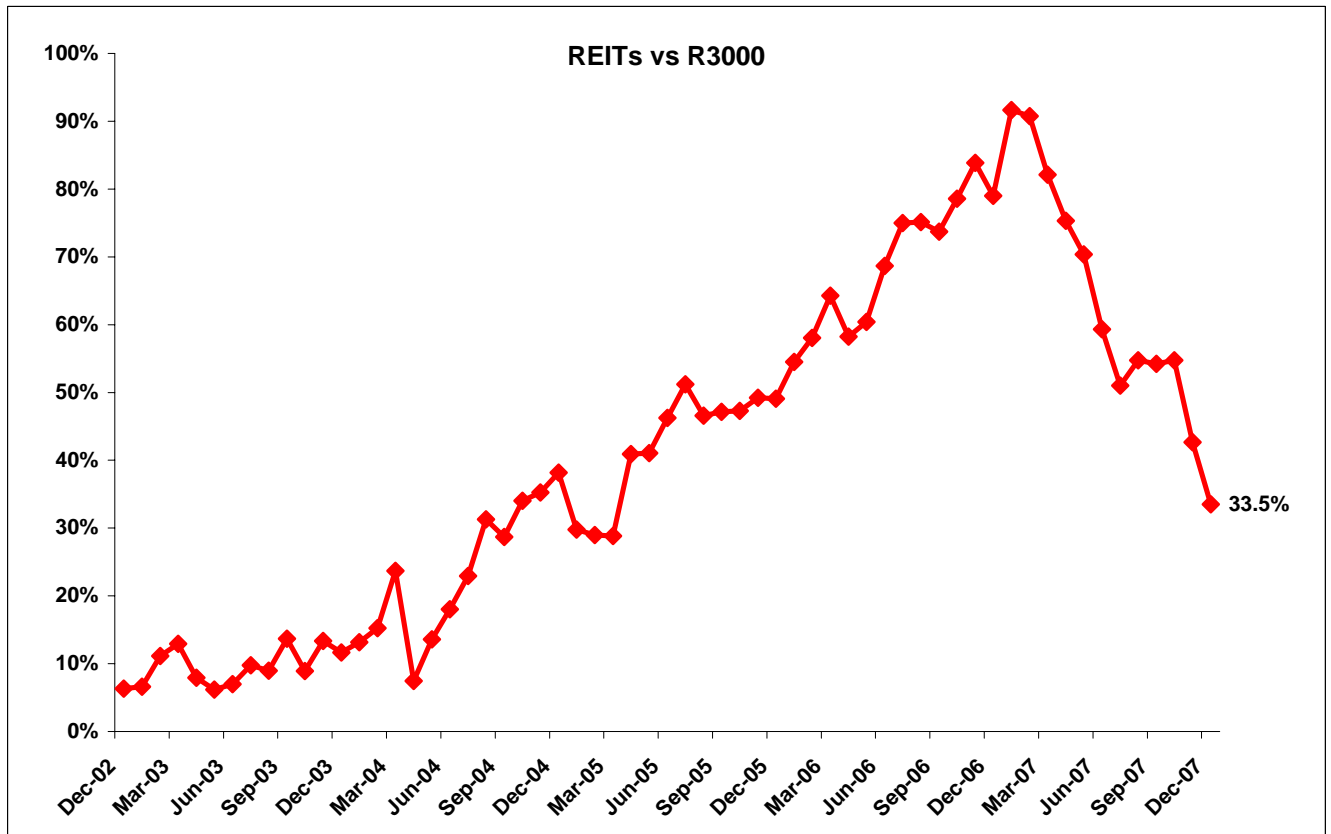


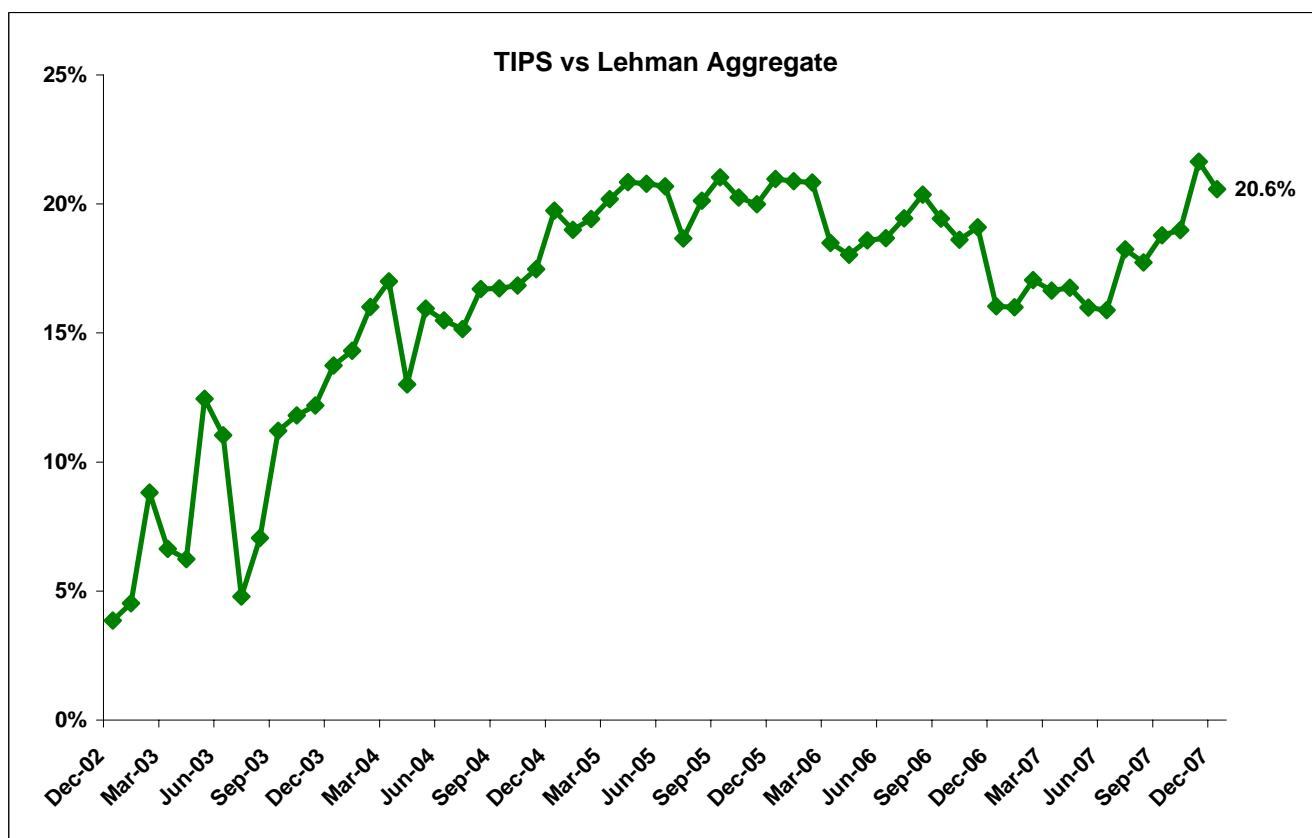
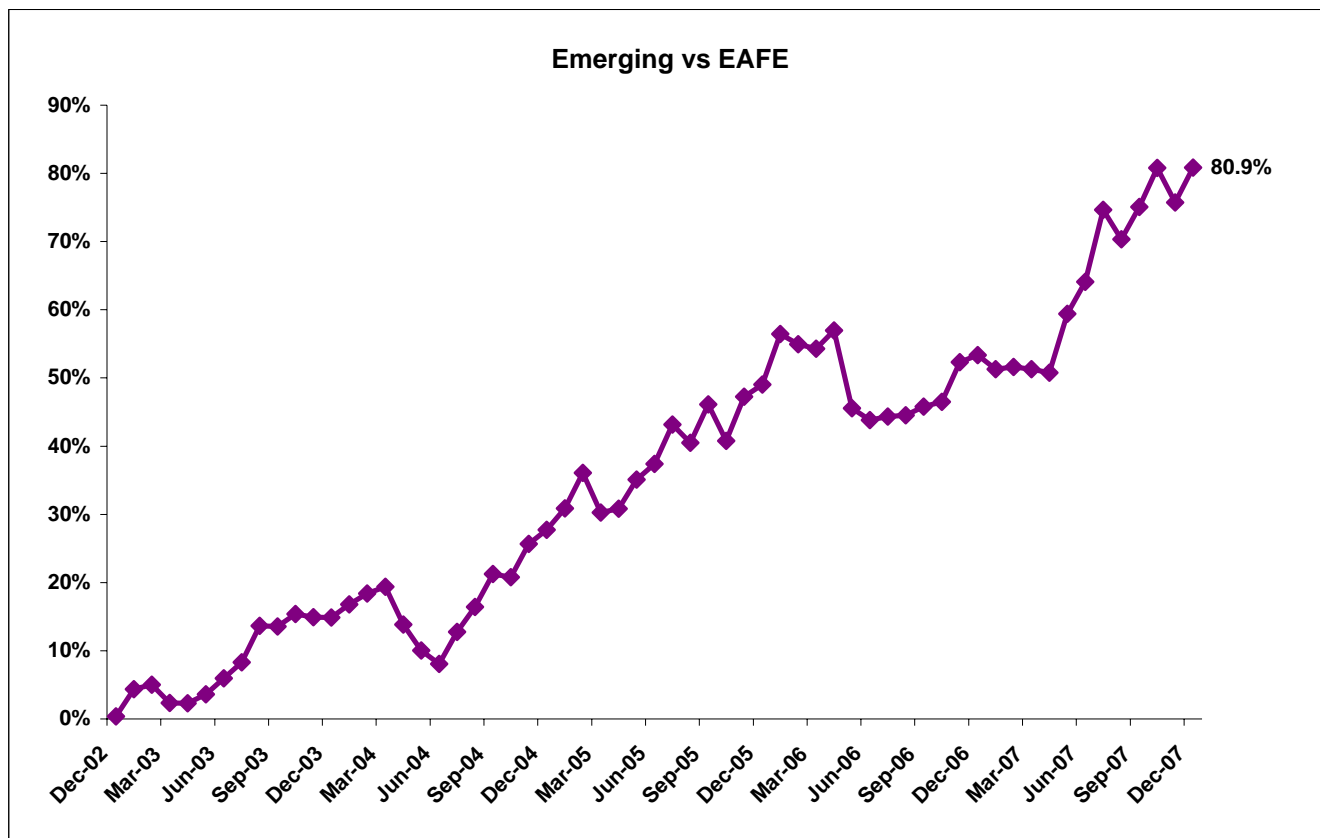


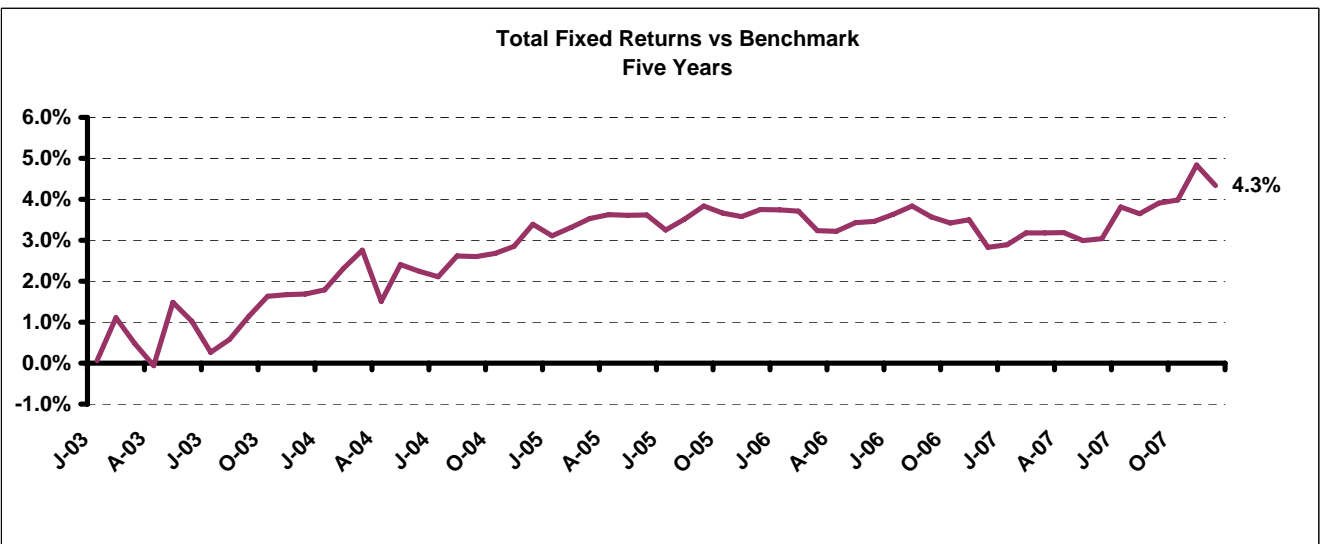
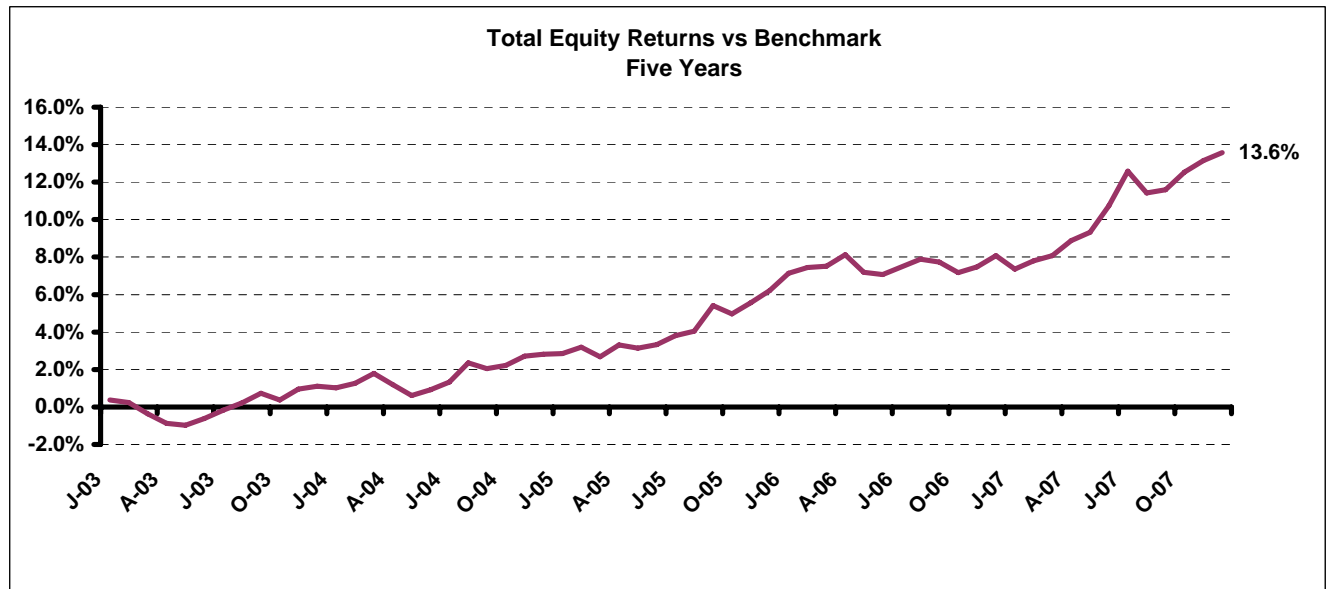
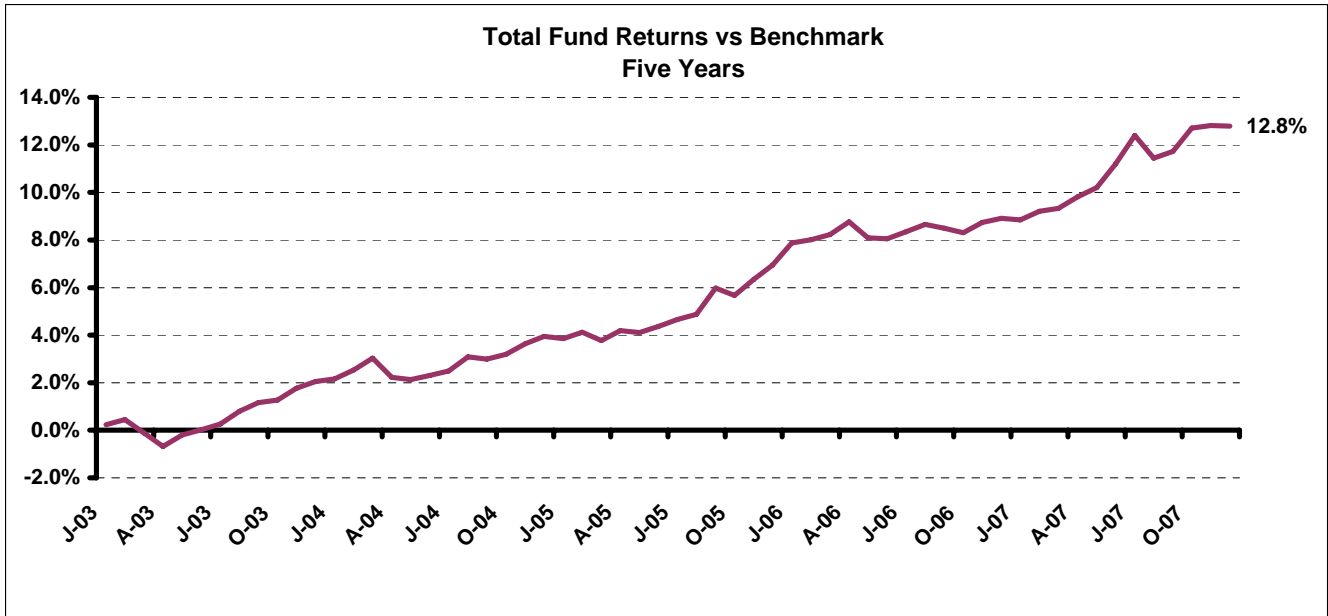
Cumulative Impact of Major Policies on Total Fund

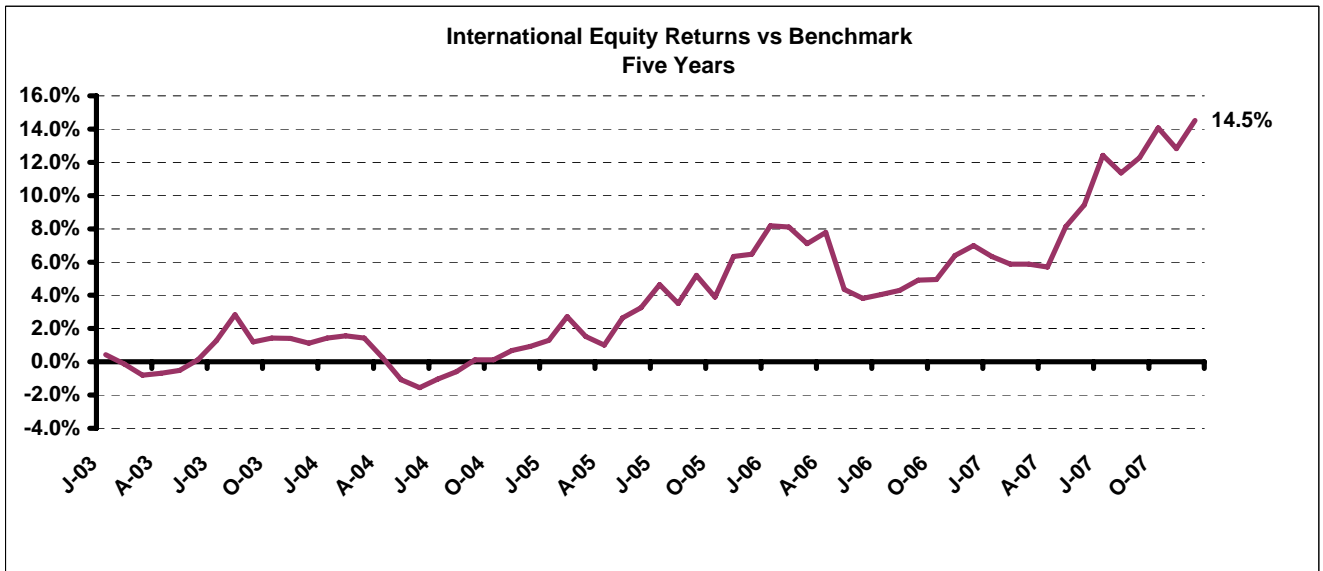
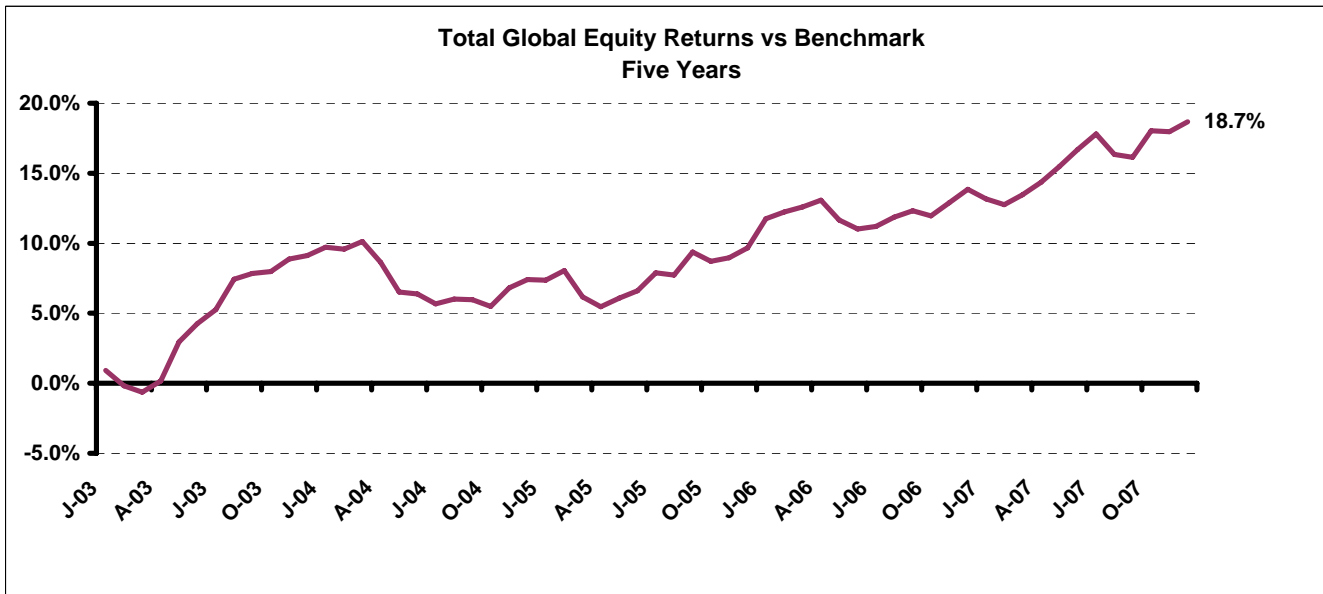
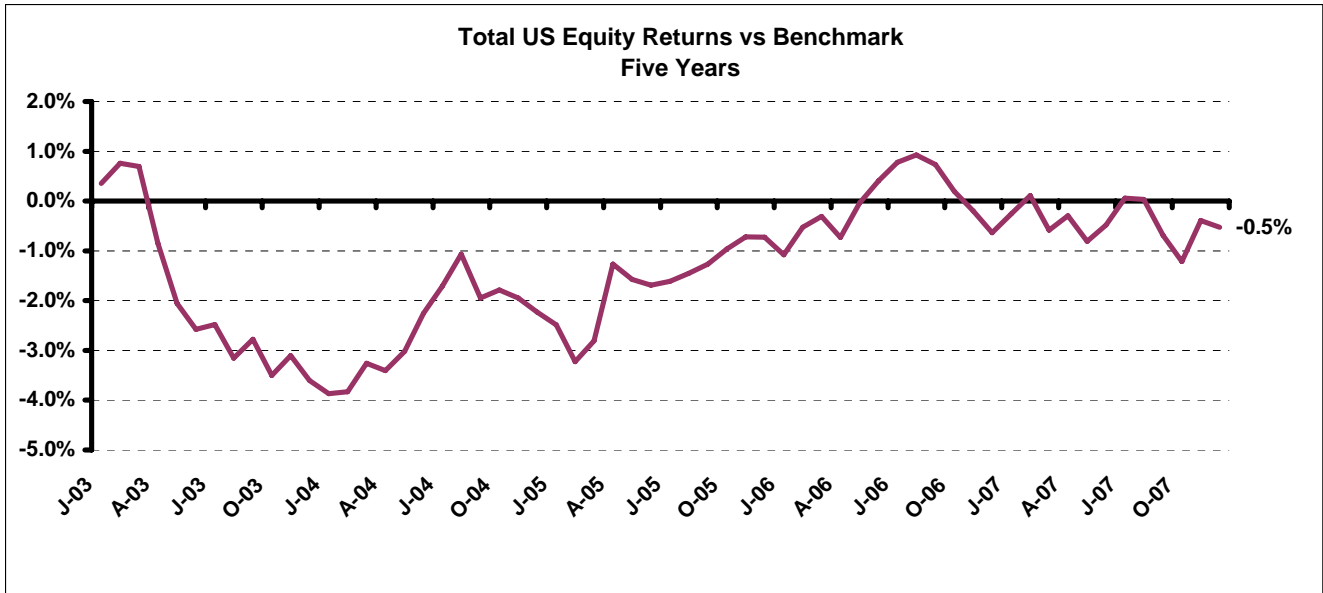


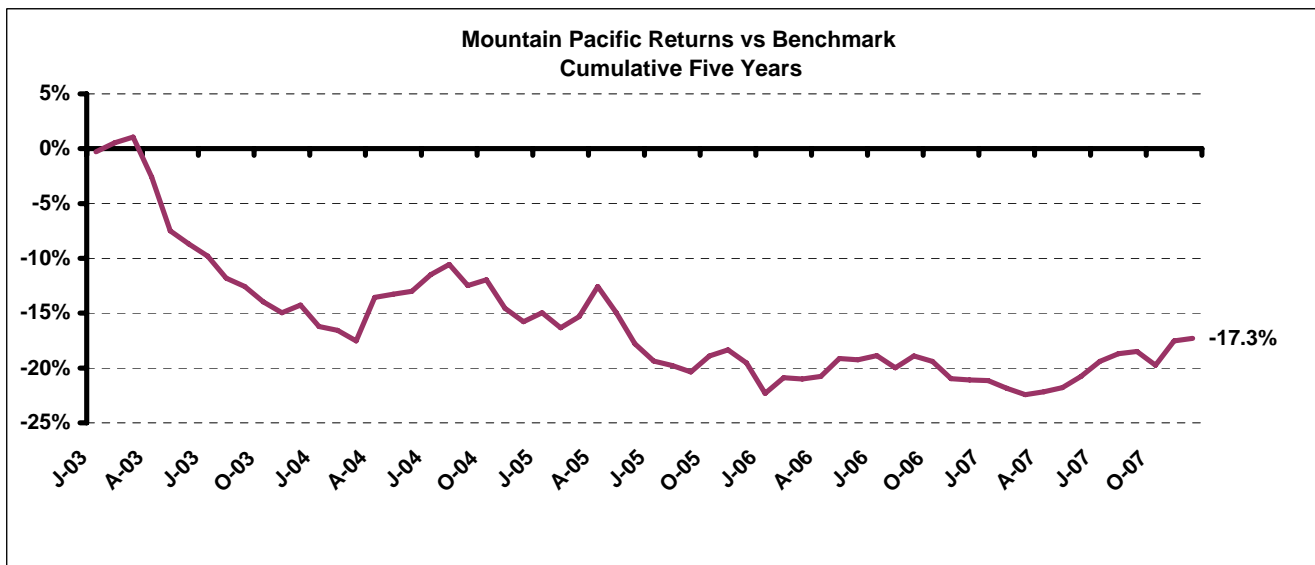
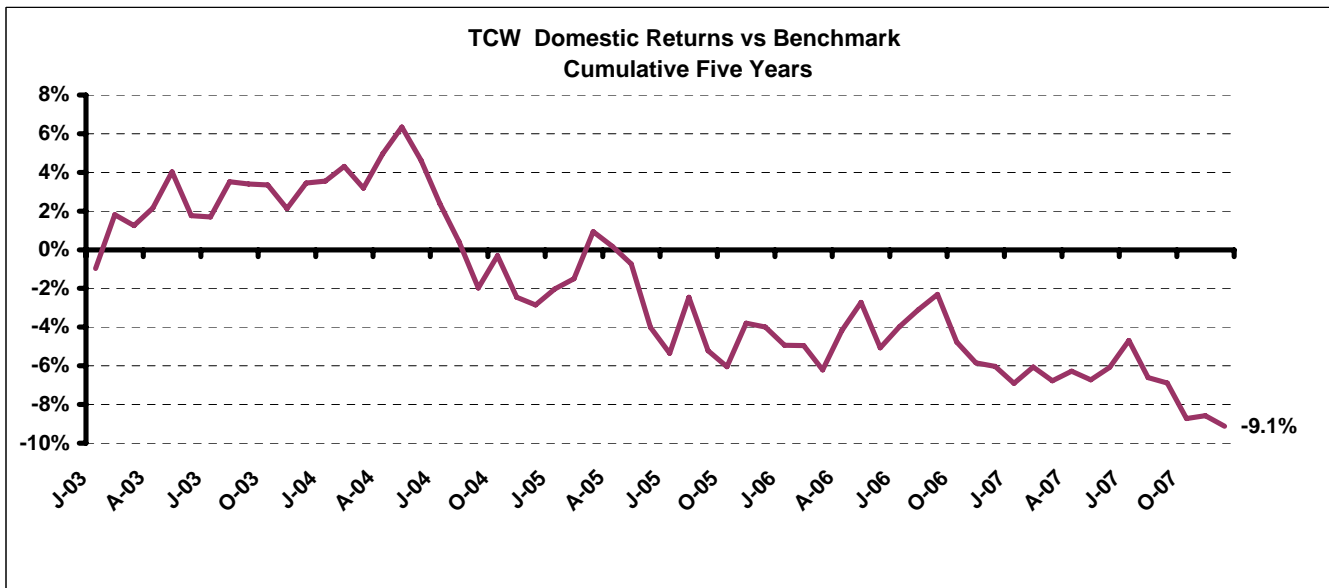
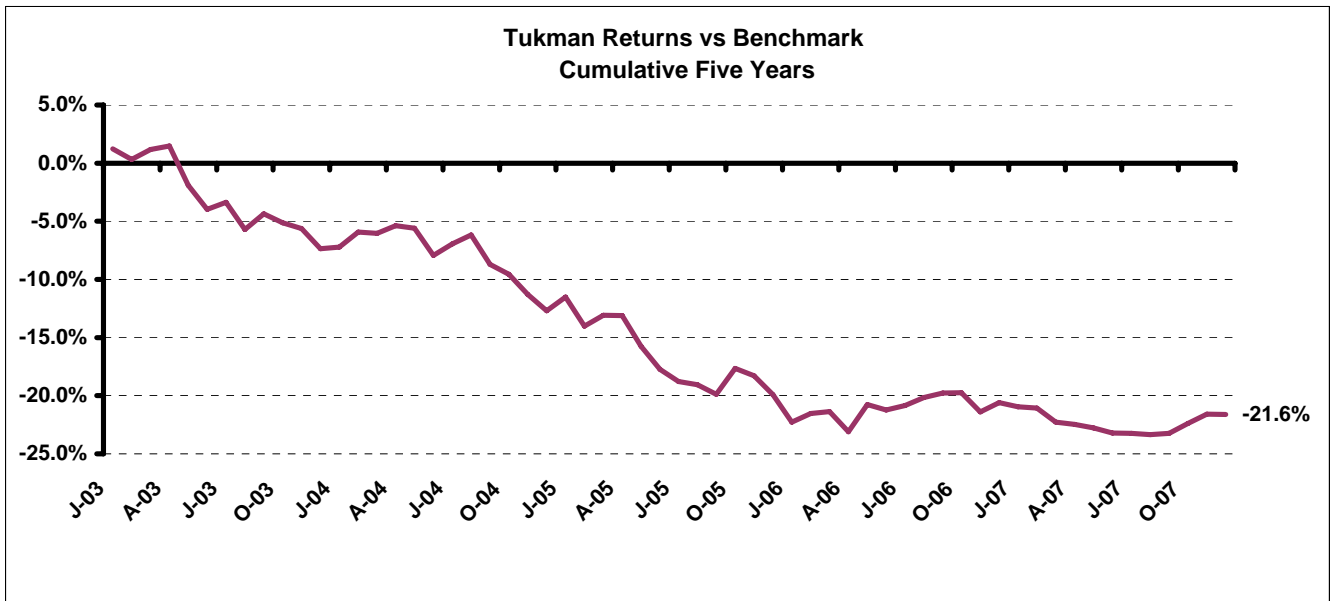


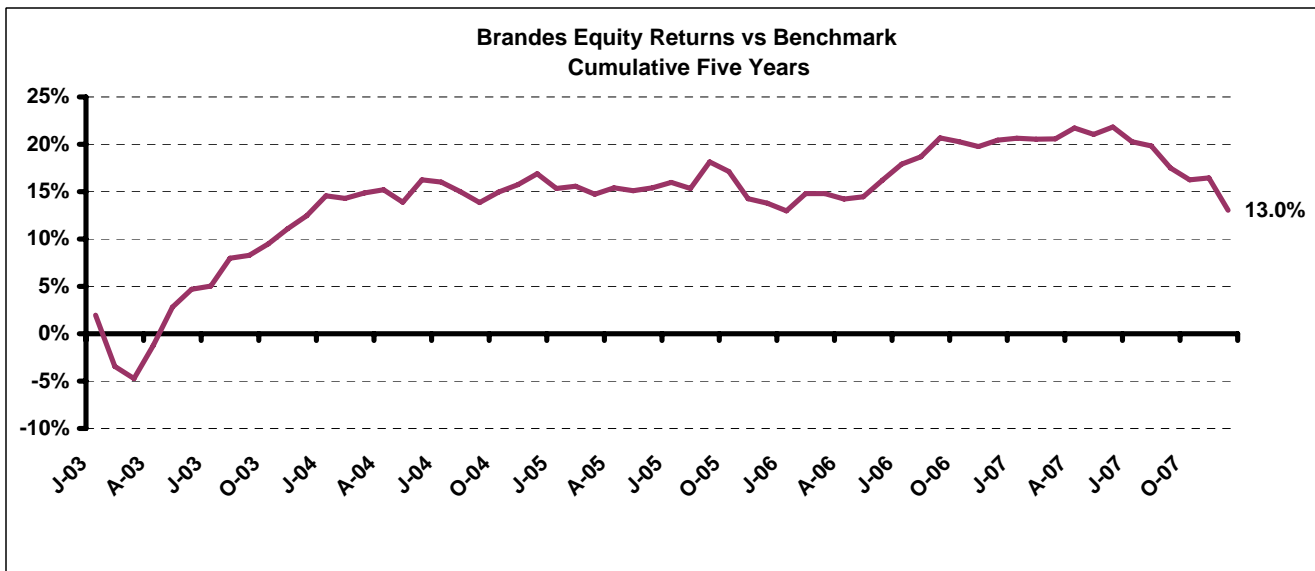
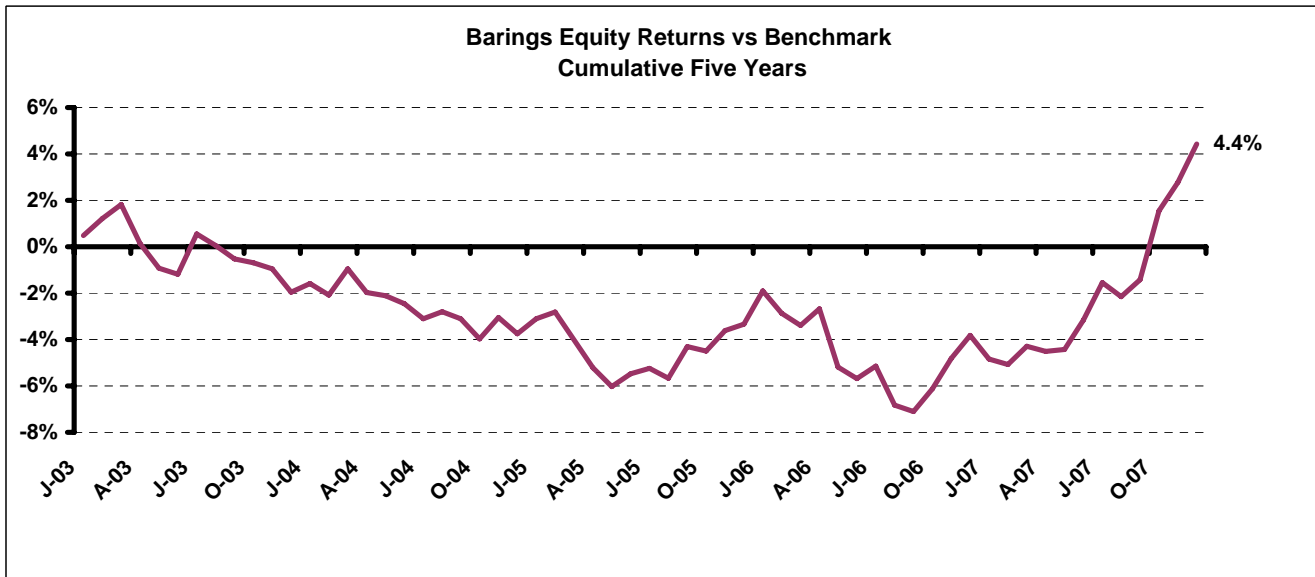
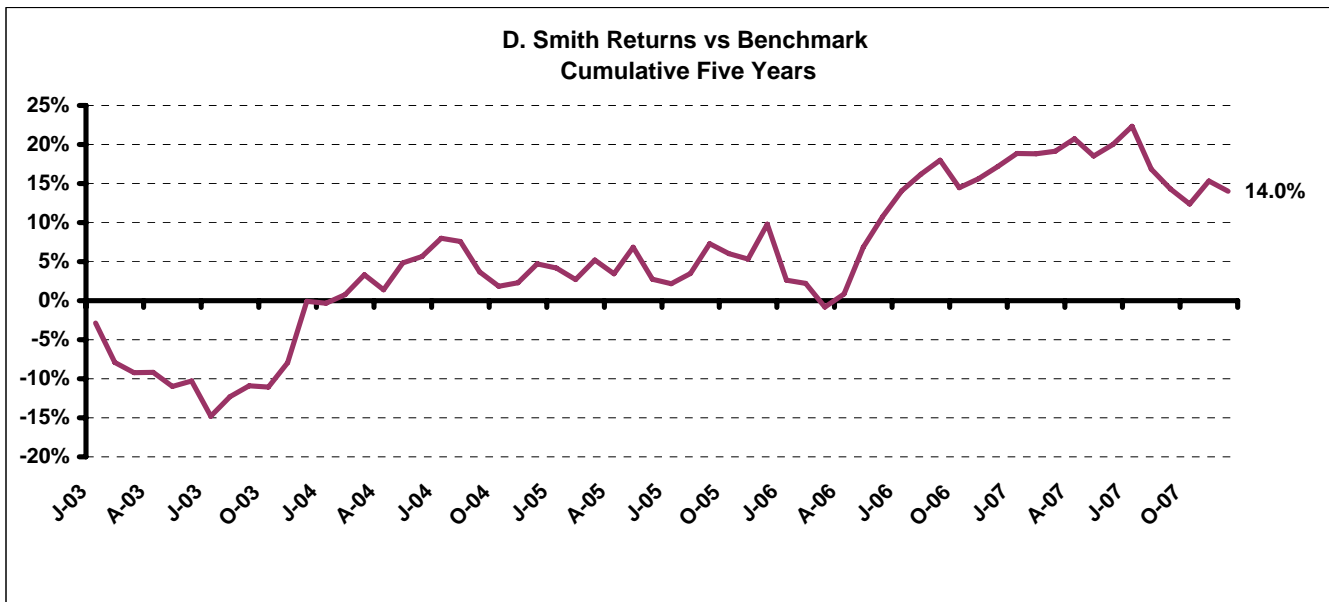




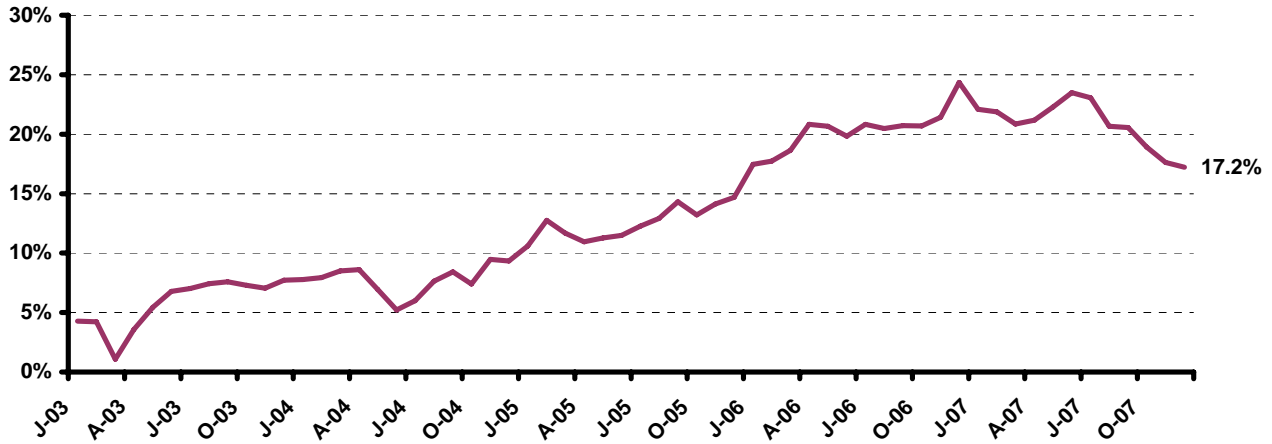




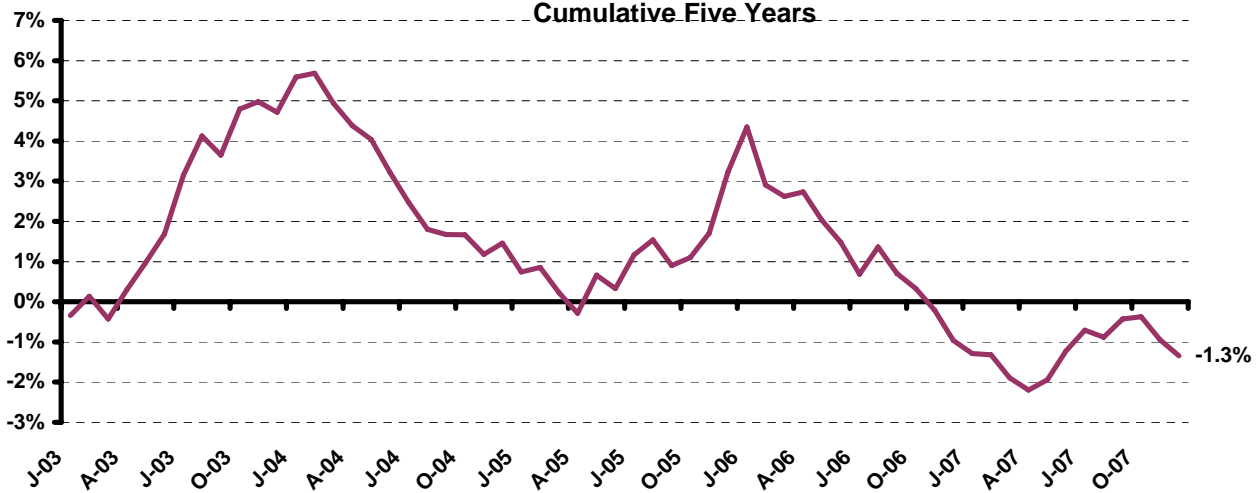




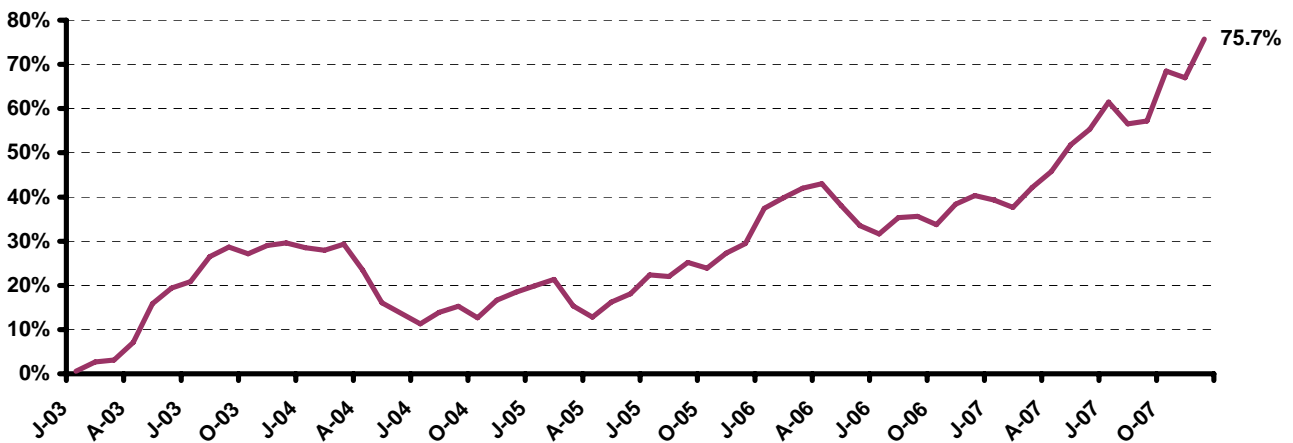
**Bernstein Global Equity Returns vs Benchmark
Cumulative Five Years**

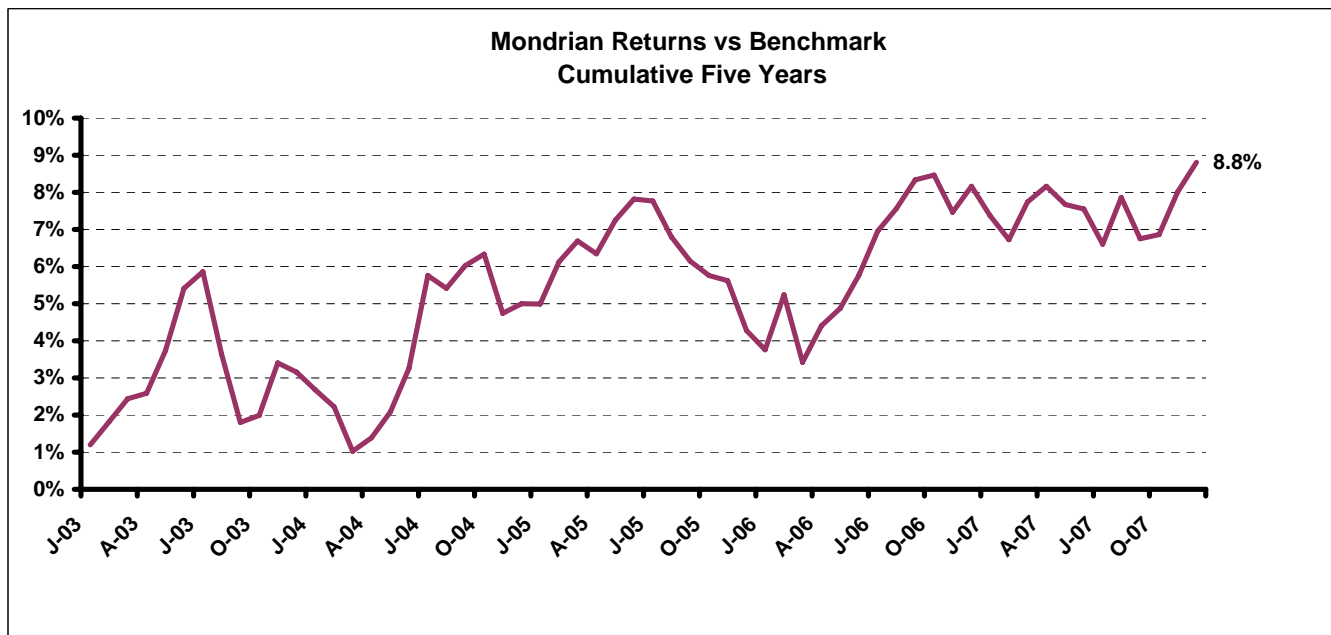
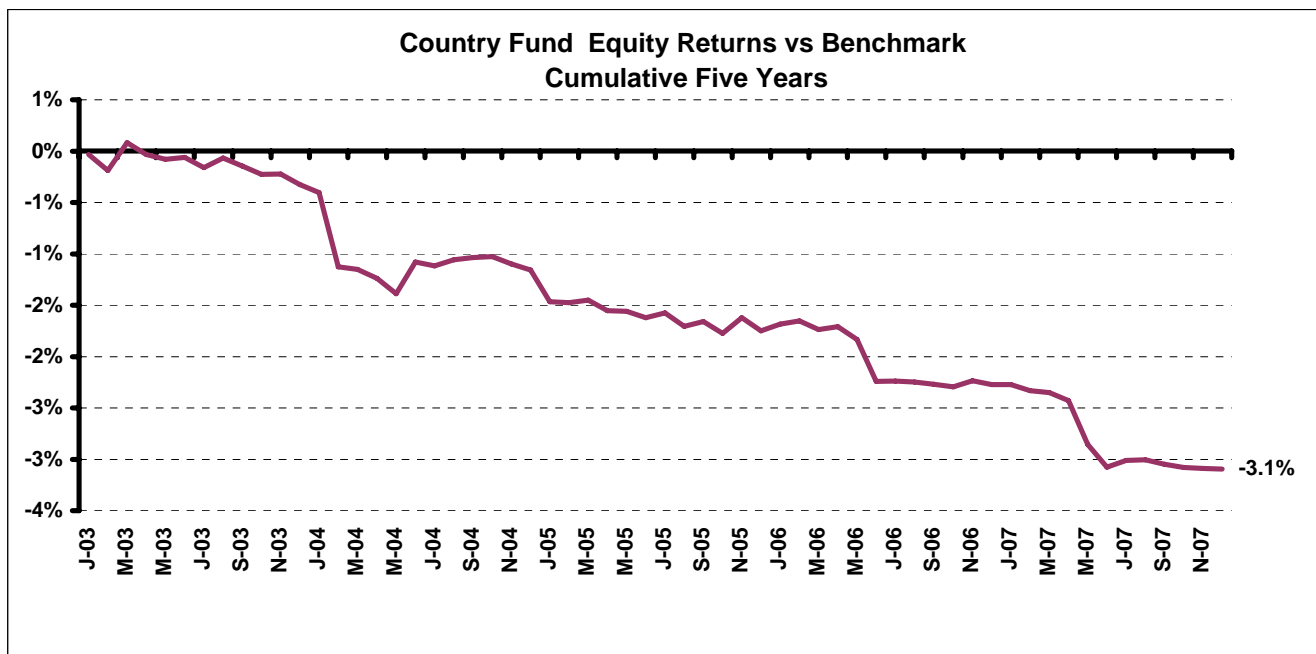


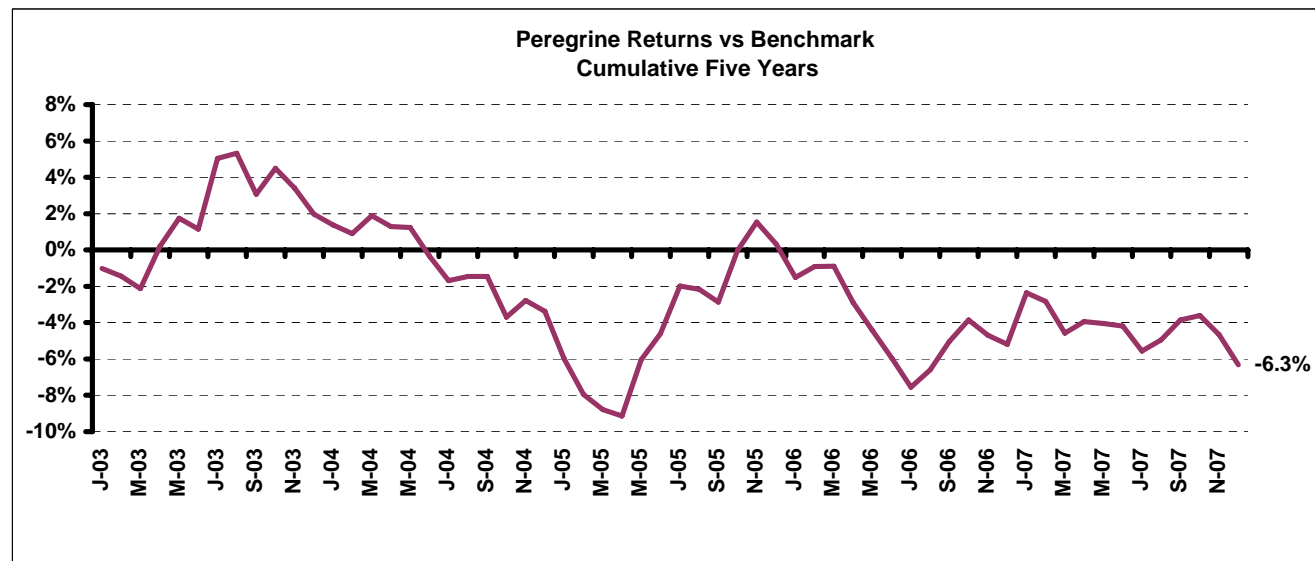
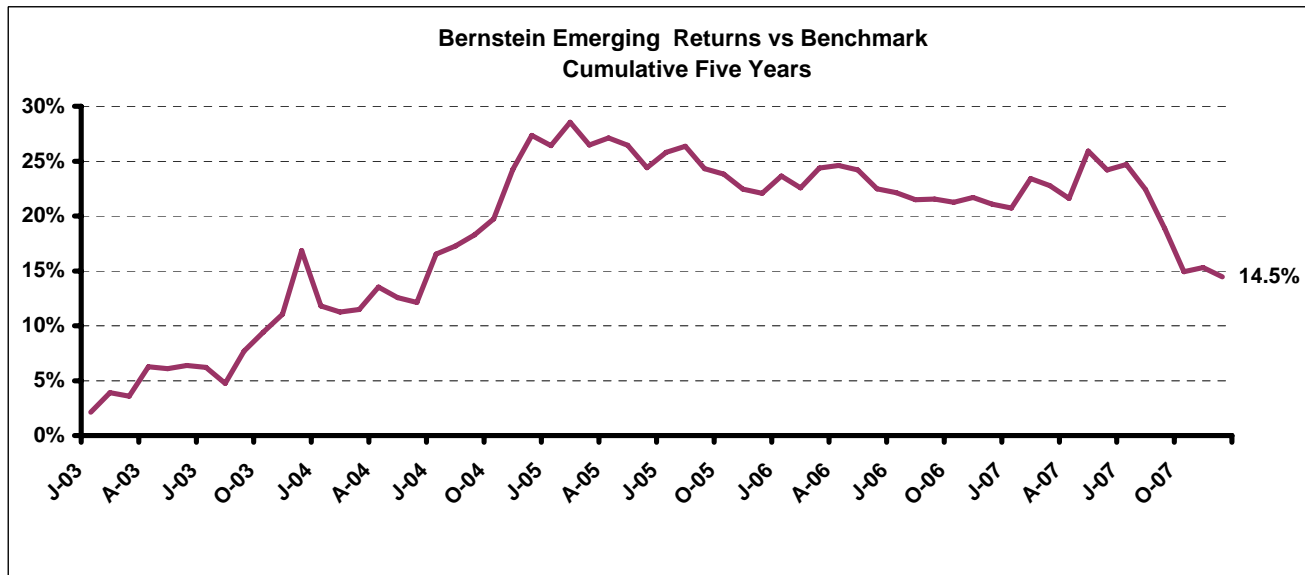
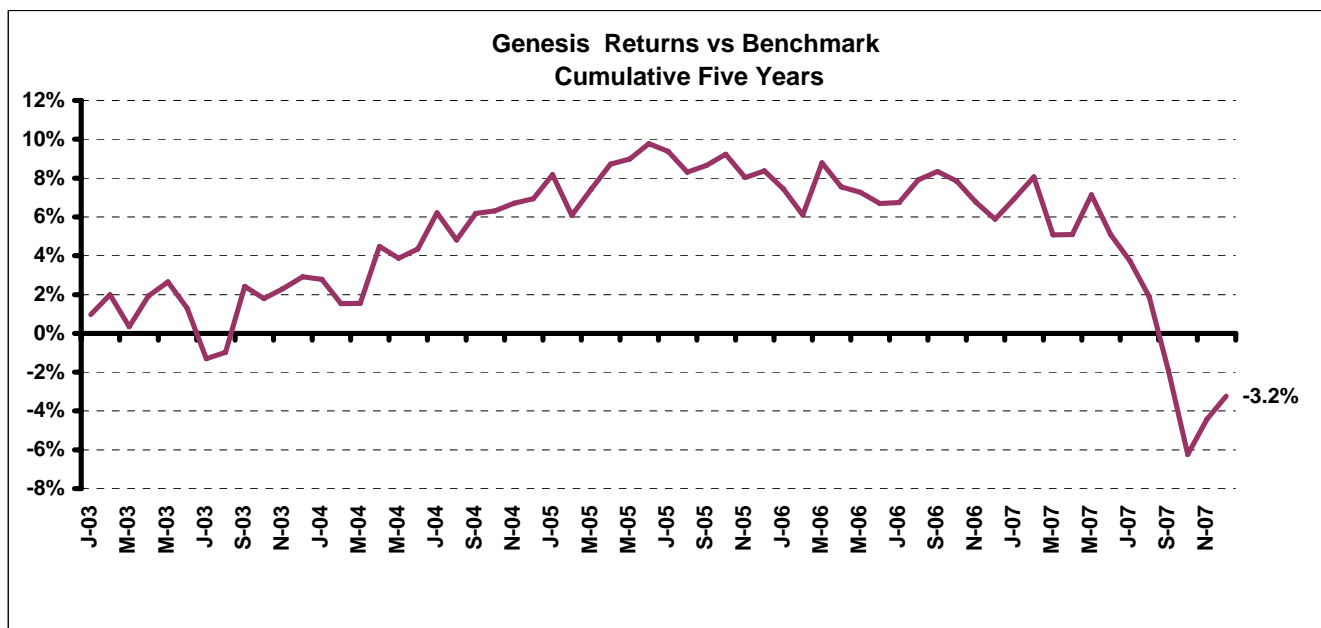
**Cap Guardian
Returns vs Benchmark
Cumulative Five Years**



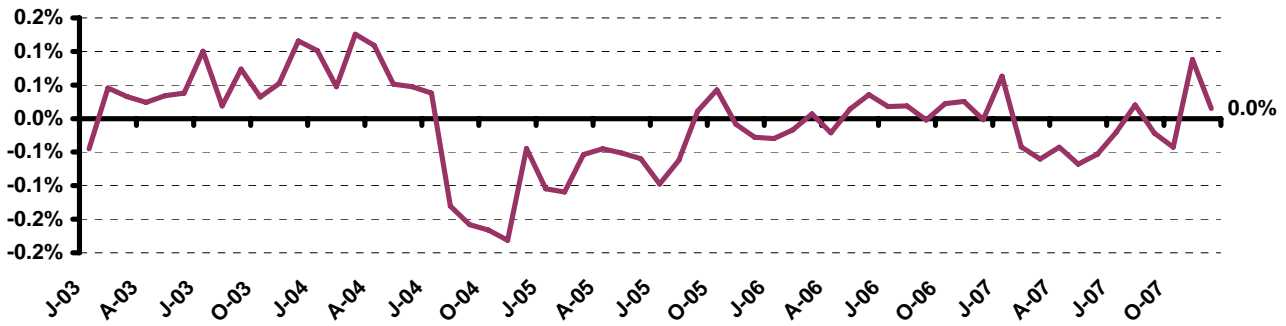
**Zesiger Equity Returns vs Benchmark
Cumulative Five Years**



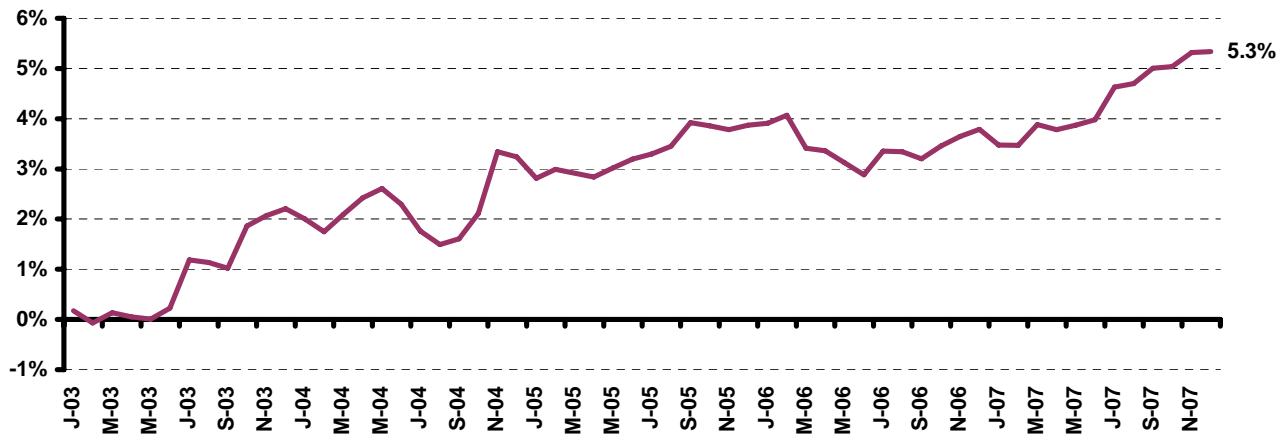




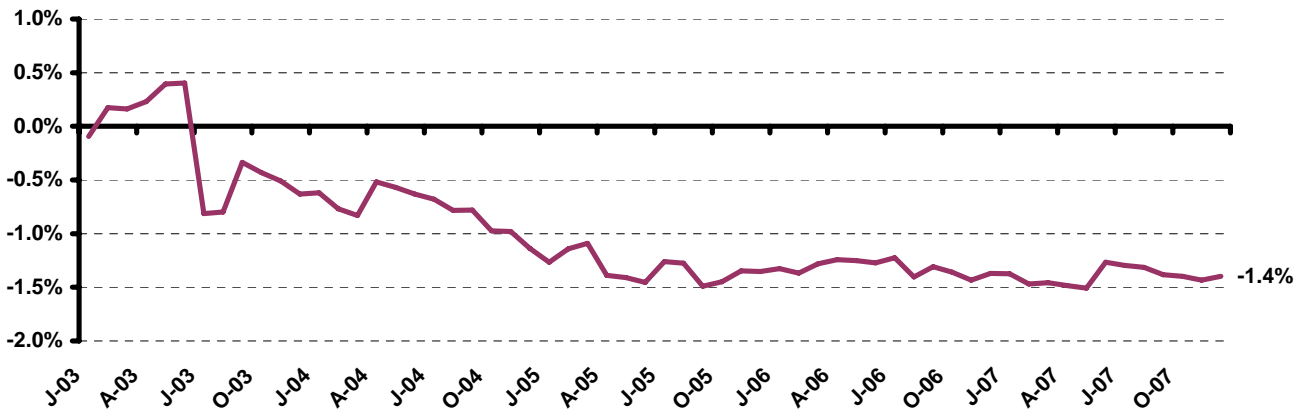
State Street Returns vs Benchmark
Cumulative Five Years



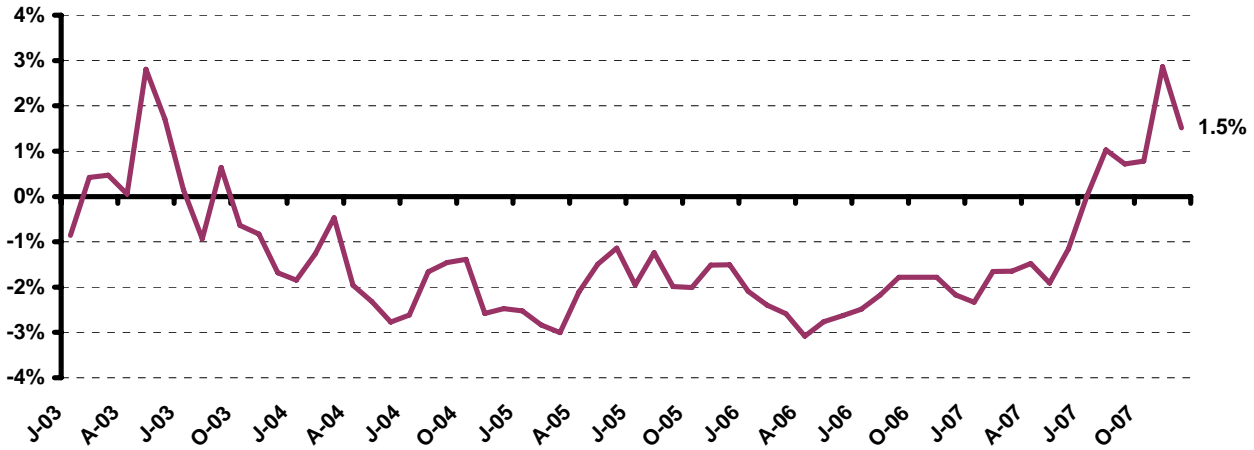
Barings Fixed Returns vs Benchmark
Cumulative Five Years



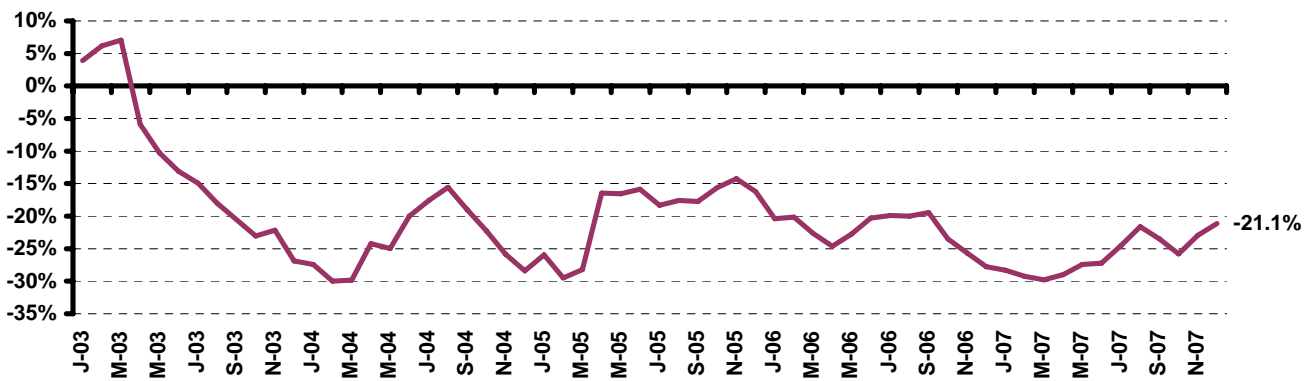
DBF MBS Returns vs Benchmark
Cumulative Five Years



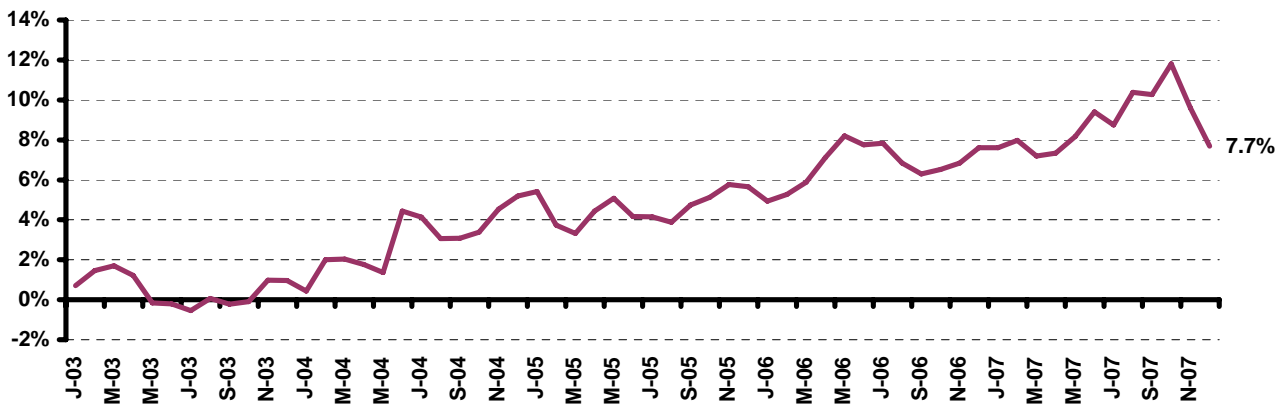
**Idaho Mortgage Returns vs Benchmark
Cumulative Five Years**



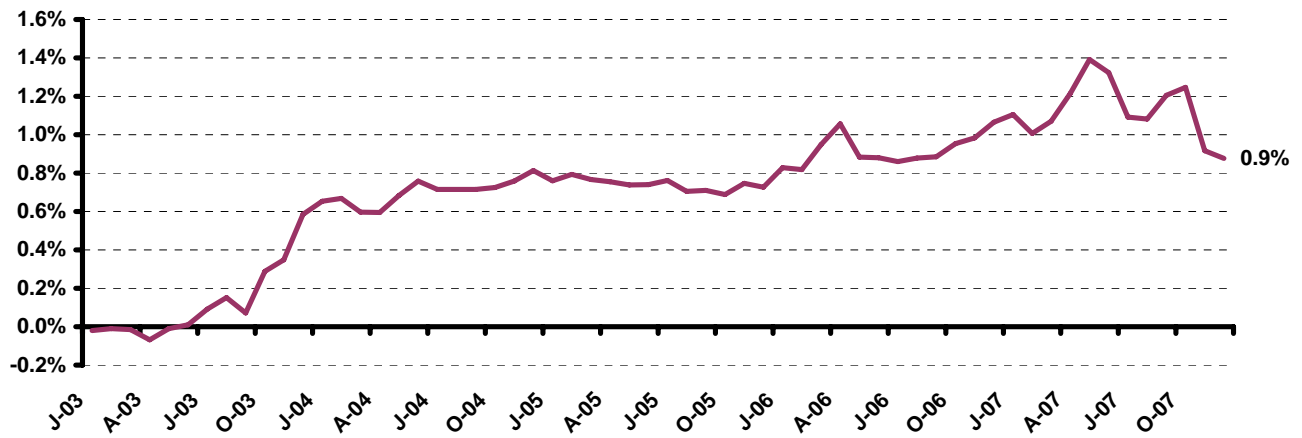
**Private Equity Returns vs Benchmark
Cumulative Five Years**



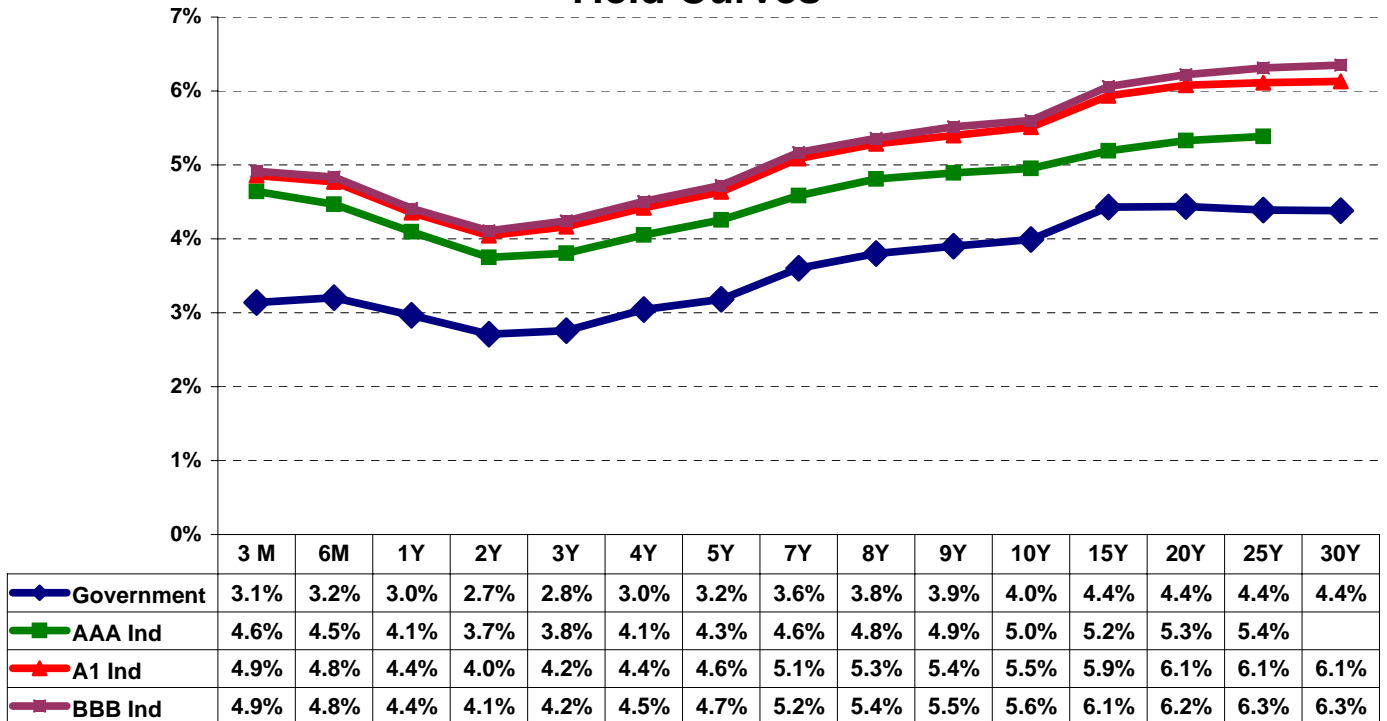
**Adelante Returns vs Benchmark
Cumulative Five Years**



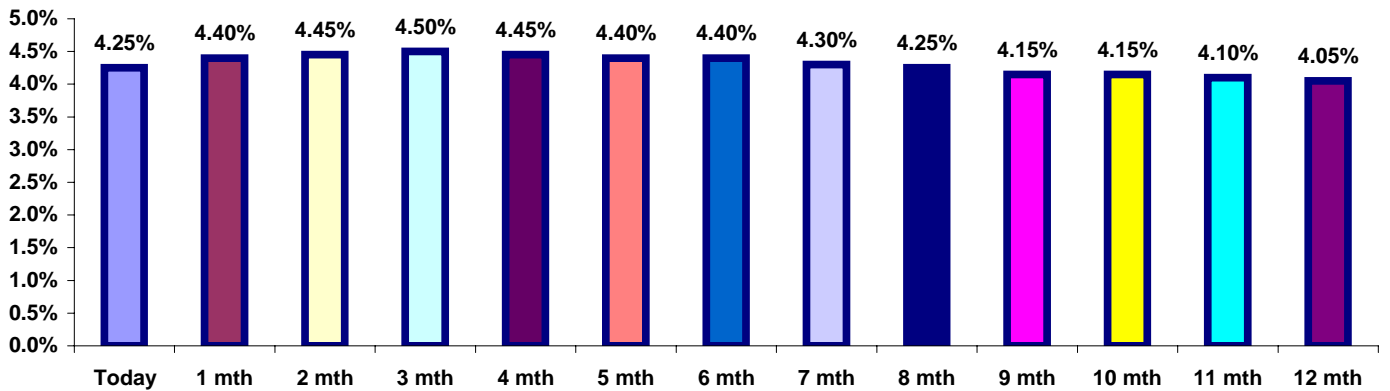
**Actual Allocation vs Asset Allocation
Cumulative Five Years**



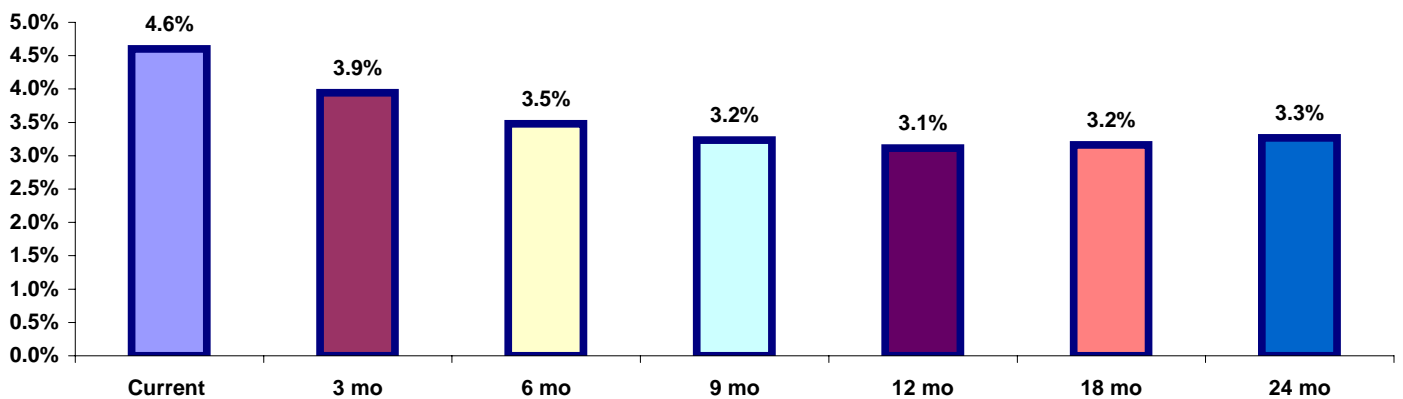
Yield Curves



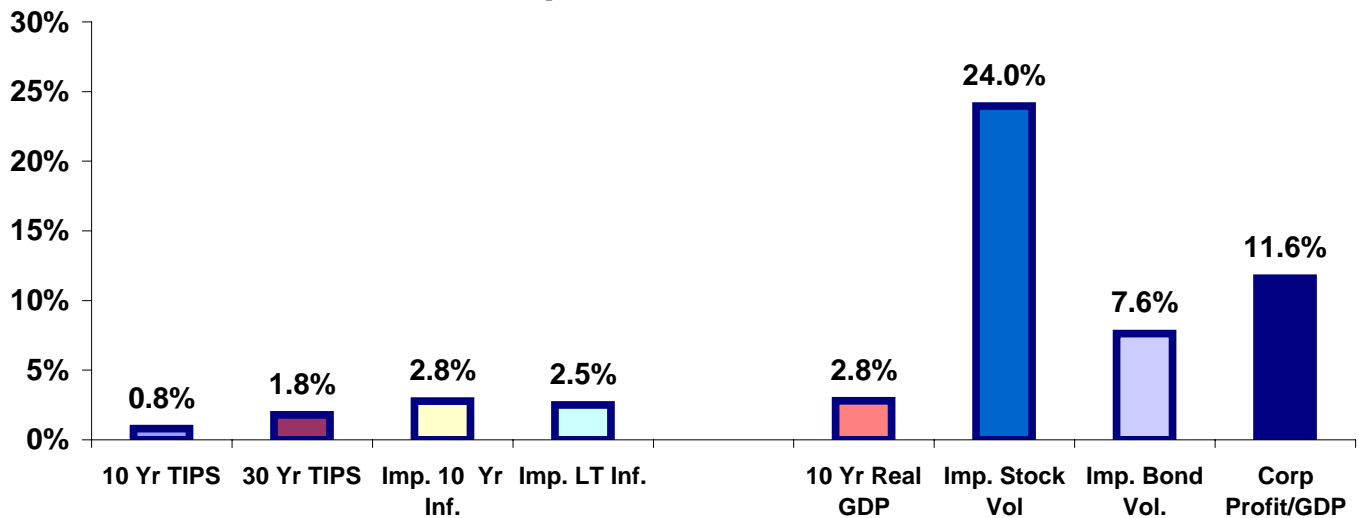
FED FUNDS FUTURES



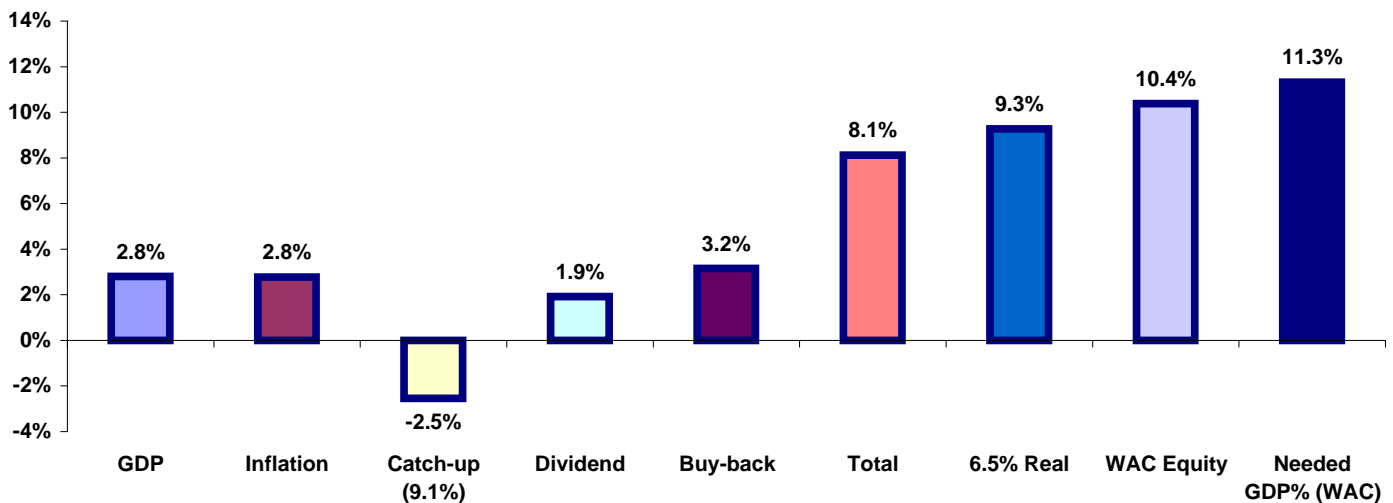
90 DAY EURO\$ FUTURES



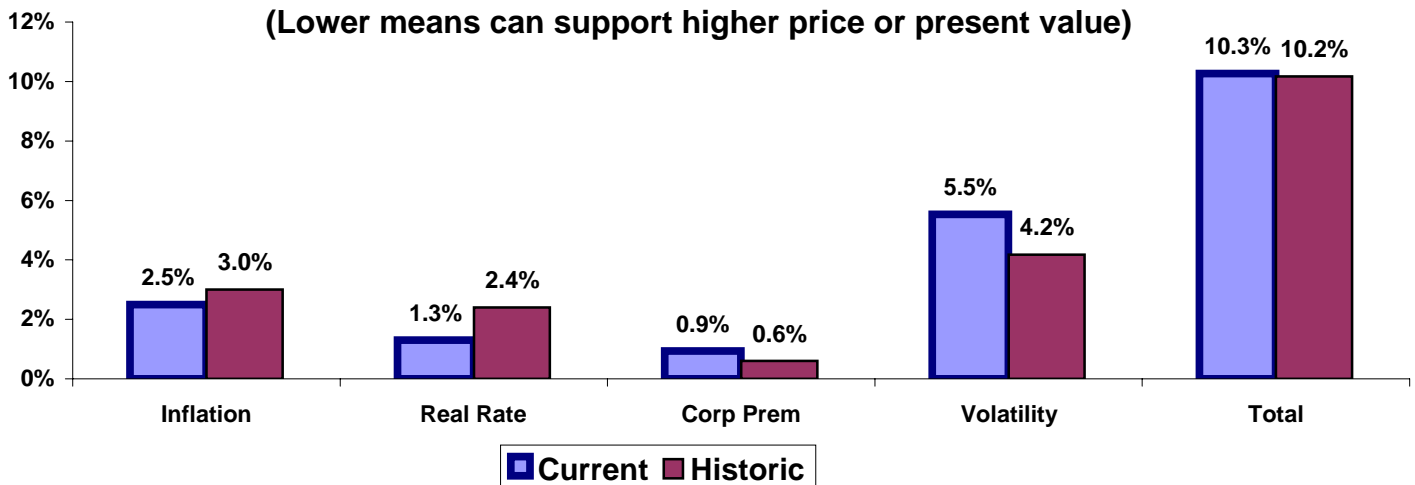
Real Yields, Implied Inflation and Misc. Data

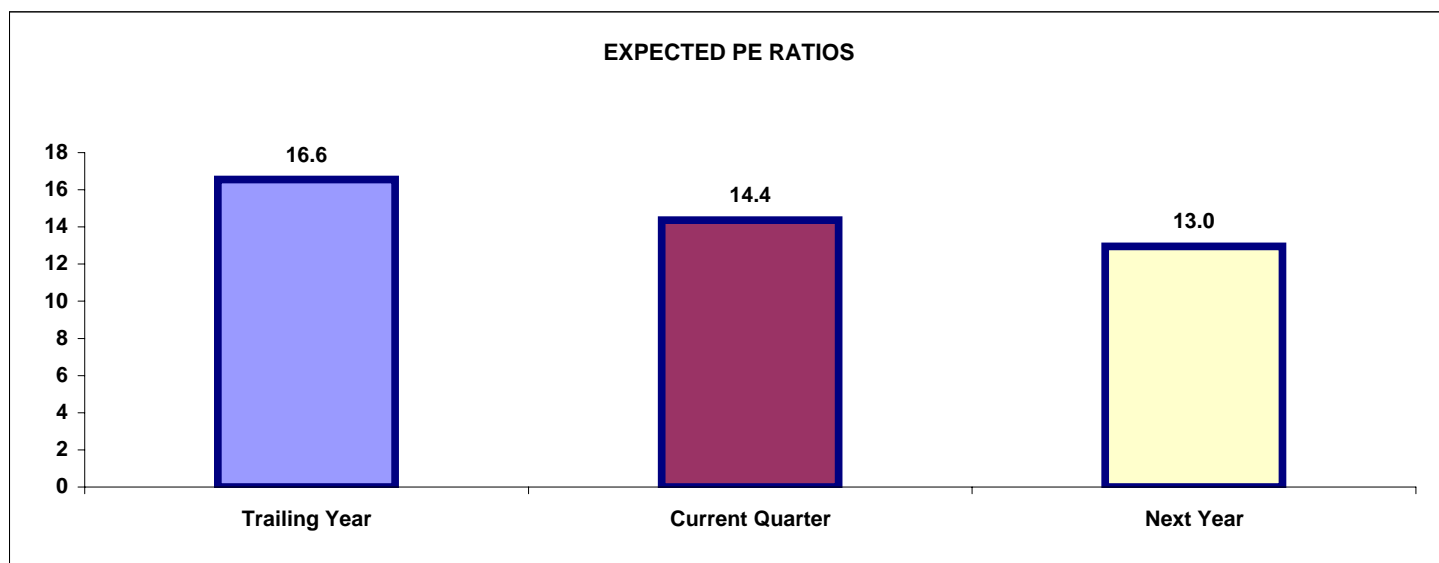
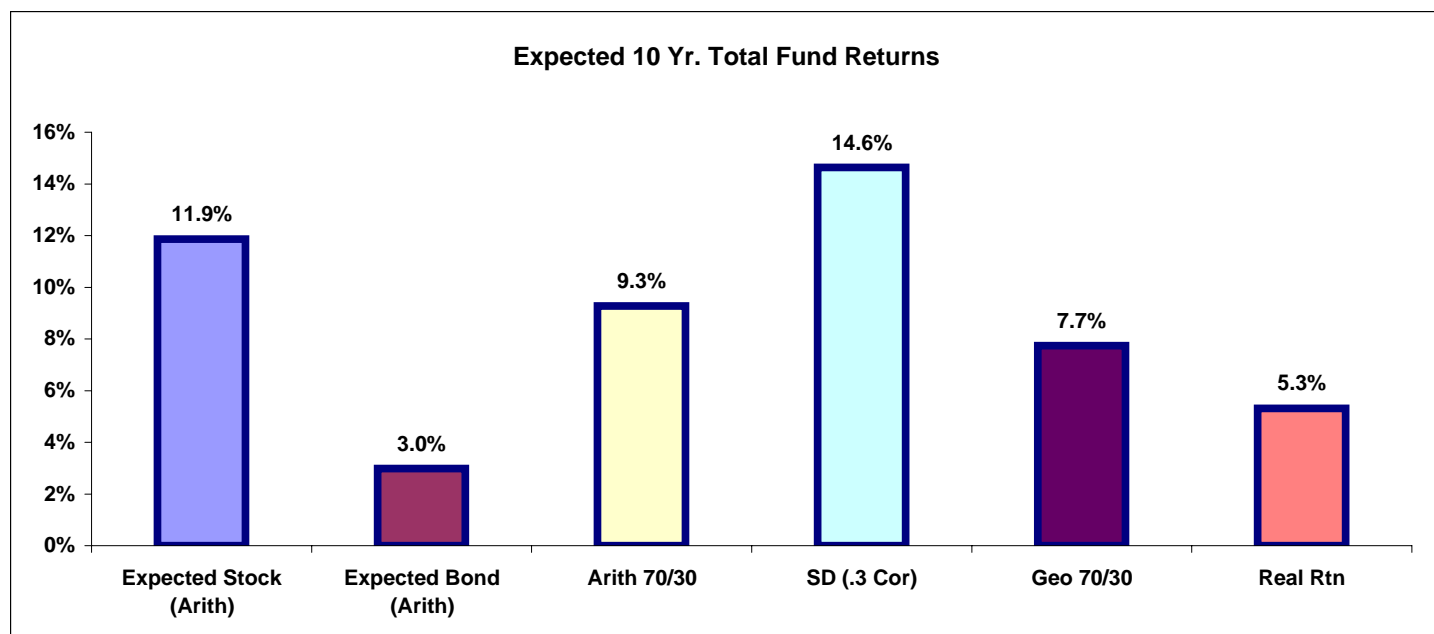
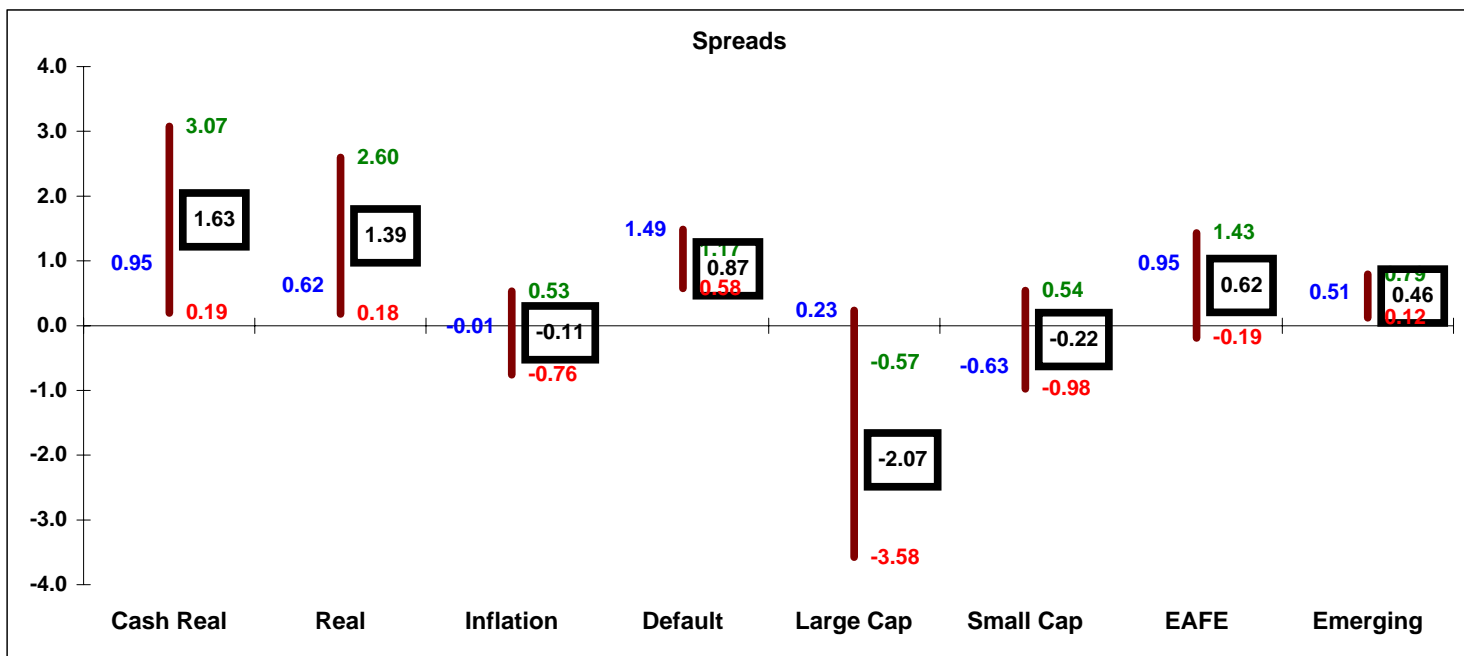


Expected 10 Year Stock Return and Sources (Current P/E remains the same)

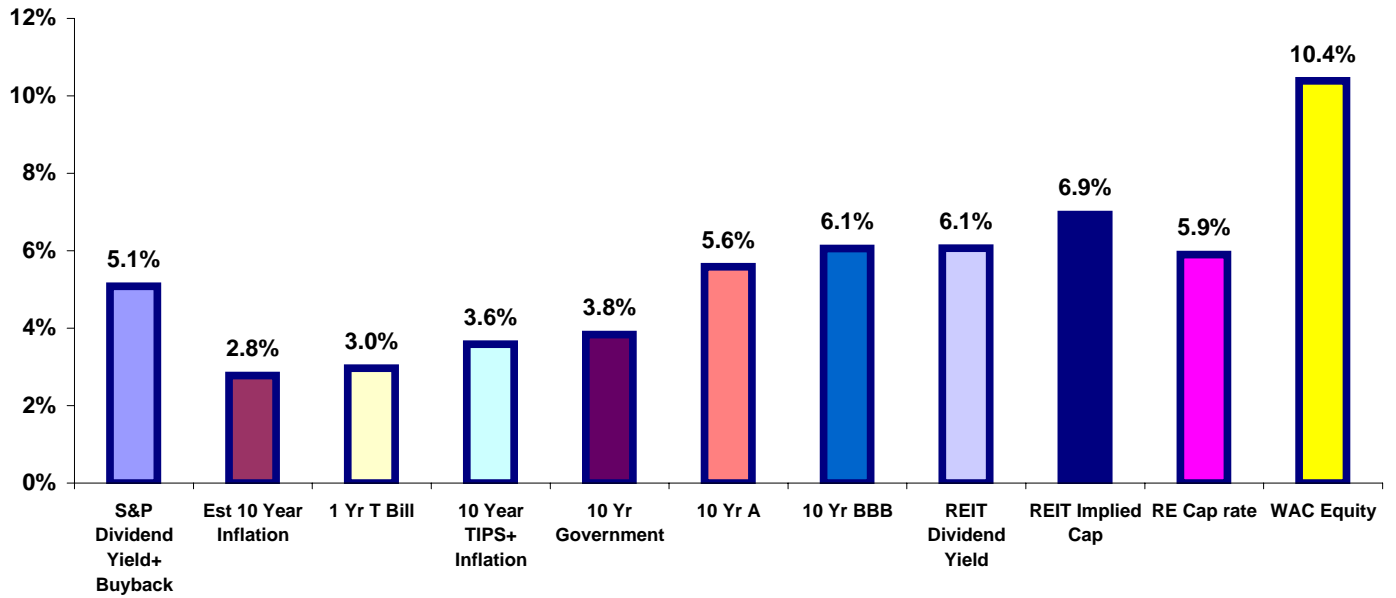


Needed Equity Discount Rate (k) (Lower means can support higher price or present value)

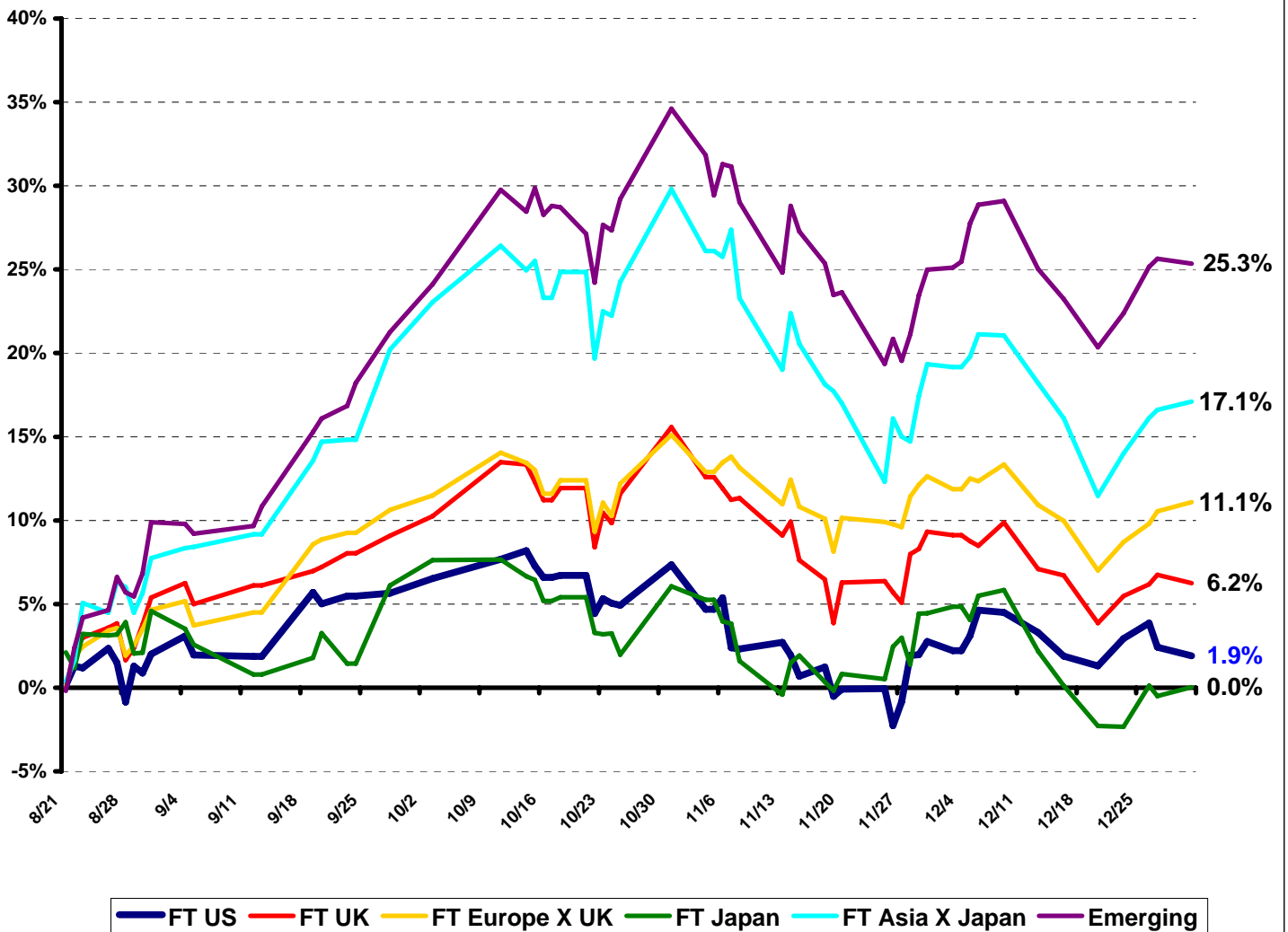




Capital Market Yields and Rates



Short-Term Cumulative Returns



	(billions)	% GDP	Range - Low	Average	High	1 SD
Current GDP (QoQ Annual)	\$ 13,970.50	4.9%	-7.9% (1980)	3.4%	16.3% (1978)	3.70%
Corporate Profits	\$ 1,621.90	11.6%	6.0% (1982)	9.1%	13.0% (1950)	1.47%
After tax Profits	\$ 1,410.20	10.1%	3.1% (1986)	5.6%	7.6% (1978)	
S&P Earnings (trailing Yr)	\$ 673.76	4.8%				
S&P Earnings (current qtr)	\$ -	0.0%				
Wages and salaries	\$ 6,469.90	46.3%	36.6% (1993)	40.1%	42.9% (1959)	1.39%
WACC	8.6%		ROE on Book	23.0%		
WAC Equity	10.4%		Current P/E	14.4		
WAC Debt	3.5%		Dividend Yield	1.9%		1.9%
Debt to Capital	34%		Share Repurchase	3.2%		(SPX)
Price/EBITDA	5.0		Payout ratio	31.5%		
Price/Book	2.7		Trailing PE	17.8		

Fixed Income

10 Yr Government	3.8%	Fed funds		90 Day Euro\$ Yields	
10Y Volatility	7.6%	Today	4.25%	Current	4.6%
10 Yr TIPS	0.8%	1 mth	4.40%	3 mo	3.9%
10 Yr A Corporate	5.6%	2 mth	4.45%	6 mo	3.5%
10 Yr BBB Corporate	6.1%	3 mth	4.50%	9 mo	3.2%
		4 mth	4.45%	12 mo	3.1%
20 Yr Government	4.7%	5 mth	4.40%	18 mo	3.2%
20 Yr AA Corporate	5.7%	6 mth	4.40%	24 mo	3.3%
30 Yr Government	4.3%	7 mth	4.30%		
30 Yr A Corporate	6.0%	8 mth	4.25%		
30 Yr TIPS	1.8%	9 mth	4.15%		
LT Bond Volatility	7.6%	10 mth	4.15%		
		11 mth	4.10%		
Implied Inflation LT	2.5%	12 mth	4.05%		
Implied 10 Yr Inflation	2.8%				

Equity

	P/E Ratio	EPS	Growth Estimates		
Trailing Year	16.6	\$ 3.22	LT (5 Year) growth	11.2%	
			Next Year	12.2%	12.2%
			Implied % of GDP at 5th Year	Gross 17.2%	After Tax 15.0%
This Year	14.4	\$ 3.21			
Next Year	13.0	\$ 3.60			
Dividend Yield	1.9%				
Share repurchase Yield	3.2%				
Payout ratio (Bloomberg)	31%				
LT (5 Year) growth	11.2%	\$ -			
			RE Cap Rate	5.9%	
			REIT cap Rate	6.9%	
			REIT Div	6.1%	
10 Yr Rtns	Current	Historic			
Exp. 10 Yr Geo Rtn	9.3%	9.3%			
Volatility (VIX)	24.0%	21.0%			
Exp 10 Yr. Arith Rtn	11.9%	11.3%			
Exp. 10 Yr Bond Rtn	3.0%	3.0%			
10 Yr Bnd Volatility	7.6%	6.0%			
70-30 return	9.3%	8.7%			
70-30 SD (.3 Cor)	17.6%	14.6%			
70-30 Geo Rtn	7.9%	7.7%			
Real return	5.5%	5.3%			
Assumed 10 yr Real GDP		2.8%			

FACTORS

Recovery Continues at Moderate Pace

GDP Real Growth QOQ (annualized)	4.90%					
	MOM	YOY	Apr-02			
Leading Economic Indicators (% change)	-0.4%	-0.9%	-18.0%	High	Average	Low
ISM Manufacturing	47.7		53.9	57.5 (12/99)	51.5	43.2 (3/01)
ISM Non-manufacturing	53.9		55.3	62.1 (10/97)	56.3	40.5 (10/01)

Inflation Stays Under Control

Inflation QOQ (annualized)	1.00%
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Consumer Spending Remains Healthy

Consumer Spending QOQ (annualized)	2.80%					
Real Consumer Spending (annualized)	1.80%	Apr-02		High	Avg	Low
University of Michigan Survey	75.5	93		107.3 (6/99)	92.6	65.5 (12/90)

Tech and Telecom Do Not Drive Recovery

S&P 1500 since 4/30/02	33.7%
NASDAQ 100 since 4/30/02	53.2%
NASDAQ Telecom since 4/30/02	70.8%
NASDAQ Computer since 4/30/02	49.7%

Emerging Markets strong, Japan weak, Europe moderate

EAFE returns since 4/30/02	90.31%
Europe	134.11%
Asia	117.61%
Japan since 4/30/02	66.61%
Emerging Markets since 4/30/02	247.19%

Corporate Spreads Narrow

	Spread	High	Average	Low
10 Year A over Government on 4/30/02	1.60%	2.18% (1/01	1.31%	0.67% (8/97)
Current 10 Year A over Government	1.75%			
		High	Average	Low
30 Year A over Government on 4/30/02	1.88%	3.33% (10/8	1.49%	0.64% (5/84)
Current 30 Yr A over Government	1.70%			
		High	Average	Low
10 Year BBB over A on 4/30/02	0.80%	1.13% (1/02	0.57%	0.16% (11/97)
Current 10 Year BBB over A	0.47%			

Fed Policy Expected to be Benign

	Current	Expected Level
Expected 12 month tightening on 4/30/02	0.75%	1.75%
Current expected 12 month tightening	-0.20%	4.05%

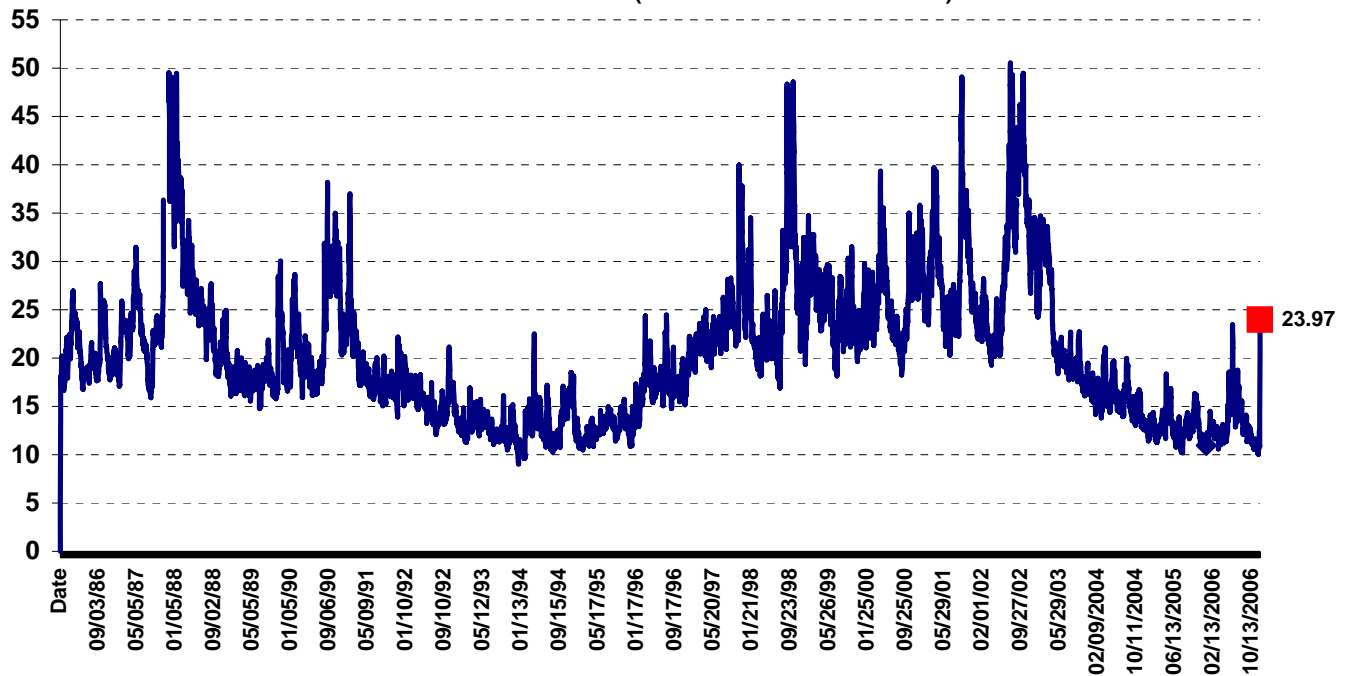
US \$ Moderate Weakness against Euro and Pound

	\$ vs currency
Japan (\$ % change since 4/30/02)	109.0 -15.2%
UK	1.97 -26.0%
Euro	1.47 -38.7%

US Productivity Continues at 2% - 2.5% or above

		High	Average	Low
Nonfarm Productivity Increase QOQ	6.3%	9.9% (6/83)	1.7%	-5.0% (3/93)
Nonfarm Productivity Increase YOY	2.7%	5.3% (9/83	1.6%	-2.2% (3/82)

VIX (Stock Volatility) Index 1981-2006 (Late October 1987 Excluded)



	w/o 10/87	With 10/87
Average Volatility	21.3	21.6
St. Deviation	7.1	8.3
Minimum	9.1	9.1
Maximum	50.1	150

PERSI RETURNS

November 30, 2007

	Month Ending	3 Month Ending	Fiscal Year Ending	Cal Year Ending	1 Year Ending	2 Years Ending	3 Years Ending	4 Years Ending	5 Years Ending	7 Years Ending	10 Years Ending
TOTAL ACCOUNT	-2.3%	3.7%	2.9%	11.1%	12.3%	14.3%	13.1%	13.3%	14.1%	8.1%	8.9%
55-15-30 Policy (No Rebalance)	-2.4%	2.4%	1.5%	7.3%	8.4%	11.1%	10.1%	10.6%	11.6%	5.7%	6.8%
US EQUITY	-3.7%	0.7%	-0.9%	6.8%	7.5%	11.4%	11.4%	12.3%	13.3%	5.4%	7.2%
R3000	-4.5%	0.8%	-1.2%	5.8%	7.0%	10.7%	10.4%	11.0%	12.4%	4.3%	6.5%
GLOBAL EQUITY	-4.1%	5.0%	2.5%	14.9%	18.3%	21.5%	18.9%	18.1%	20.2%	10.4%	12.1%
MSCI World	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%
INTERNATIONAL	-4.4%	7.2%	5.9%	20.3%	24.8%	26.6%	24.3%	24.1%	24.2%	11.8%	11.1%
MSCI EAFE	-3.3%	5.9%	2.8%	14.2%	17.8%	23.1%	19.9%	21.1%	21.8%	9.7%	9.4%
FIXED INCOME	2.7%	4.8%	7.6%	8.9%	7.5%	6.7%	5.5%	5.5%	6.0%	7.0%	6.8%
Lehman Aggregate	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
US EQUITY											
Mellon R3000 Index	-4.5%	0.8%	-1.3%	6.0%	7.2%	10.5%	10.2%	11.0%	12.4%	4.2%	6.4%
Russell 3000	-4.5%	0.8%	-1.2%	5.8%	7.0%	10.7%	10.4%	11.0%	12.4%	4.3%	6.5%
Tukman	-3.1%	3.3%	1.5%	4.7%	7.3%	8.7%	5.8%	5.9%	7.0%	3.5%	7.0%
S&P 500	-4.2%	1.0%	-0.7%	6.2%	7.7%	10.9%	10.1%	10.8%	11.6%	3.5%	6.2%
Peregrine	-4.8%	4.0%	3.1%	10.5%	10.3%	6.0%	8.1%				
S&P 500 Growth	-3.5%	2.9%	3.8%	8.9%	9.3%	10.0%	8.2%	8.0%	9.1%	-0.5%	4.5%
Mountain Pacific	-3.4%	0.2%	-2.0%	8.7%	9.0%	10.9%	9.9%	11.8%	13.6%	9.7%	8.8%
S&P 400	-5.0%	0.0%	-3.4%	8.2%	7.7%	9.6%	11.9%	12.3%	15.3%	9.9%	11.6%
TCW Domestic	-6.0%	-3.5%	-8.5%	1.1%	1.4%	7.4%	8.5%				
S&P 400	-5.0%	0.0%	-3.4%	8.2%	7.7%	9.6%	11.9%	12.3%	15.3%	9.9%	11.6%
Donald Smith	-4.6%	-3.9%	-10.6%	-2.5%	-0.9%	13.7%	12.9%				
R3000	-4.5%	0.8%	-1.2%	5.8%	7.0%	10.7%	10.4%	11.0%	12.4%	4.3%	6.5%

GLOBAL EQUITY

	Month Ending	Quarter Ending	Fiscal Year	Cal Year Ending	1 Year Ending	2 Years Ending	3 Years Ending	4 Years Ending	5 Years Ending	7 Years Ending	10 Years Ending
Barings Global	-2.8%	8.8%	7.5%	18.5%	22.2%	20.7%	17.4%	16.9%	17.1%	5.5%	7.5%
<i>MSCI World</i>	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%
Bernstein Global	-5.1%	1.0%	-3.5%	5.0%	9.6%	18.6%	17.8%				
<i>MSCI World</i>	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%
Brandes	-3.9%	0.9%	-3.0%	7.4%	10.2%	18.2%	15.5%	17.2%	19.6%	12.0%	14.7%
<i>MSCI World</i>	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%
Capital Guardian	-4.6%	3.5%	1.6%	11.0%	12.4%	15.4%	14.3%	14.2%	15.9%		
<i>MSCI World</i>	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%
Zesiger	-4.9%	10.2%	8.7%	31.4%	36.0%	33.3%	29.1%	23.0%	28.2%	16.2%	16.6%
<i>MSCI World</i>	-4.0%	3.7%	1.4%	11.0%	13.3%	17.0%	15.2%	15.9%	16.7%	6.5%	7.7%

INTERNATIONAL EQUITY

MCM EAFE Index	-3.3%	5.9%	2.8%	13.3%	16.8%	22.2%	19.1%	20.2%	21.1%	9.2%	9.3%
<i>MSCI EAFE</i>	-3.3%	5.9%	2.8%	14.2%	17.8%	23.1%	19.9%	21.1%	21.8%	9.7%	9.4%
Mondrian	-2.2%	6.2%	3.3%	14.1%	18.4%	24.6%	21.2%				
<i>MSCI EAFE</i>	-3.3%	5.9%	2.8%	14.2%	17.8%	23.1%	19.9%	21.1%	21.8%	9.7%	9.4%
Genesis Emg.	-5.2%	8.7%	8.7%	27.2%	31.9%	32.5%	33.4%	33.7%	36.3%	27.2%	15.6%
<i>MSCI Emerging Mkt</i>	-7.1%	14.7%	18.3%	39.3%	45.6%	39.9%	37.6%	35.4%	36.4%	24.3%	14.8%
Bernstein Emg.	-6.8%	8.8%	10.6%	33.5%	38.8%	36.0%	34.3%				
<i>MSCI Emerging Mkt</i>	-7.1%	14.7%	18.3%	39.3%	45.6%	39.9%	37.6%	35.4%	36.4%	24.3%	14.8%
PERSI Emerging Mkt	-6.0%	8.8%	9.7%	30.3%	35.3%	34.2%	33.9%	34.5%	36.2%	25.3%	14.7%
<i>MSCI Emerging Mkt</i>	-7.1%	14.7%	18.3%	39.3%	45.6%	39.9%	37.6%	35.4%	36.4%	24.3%	14.8%

FIXED INCOME

	Month Ending	Quarter Ending	Fiscal Year	Cal Year Ending	1 Year Ending	2 Years Ending	3 Years Ending	4 Years Ending	5 Years Ending	7 Years Ending	10 Years Ending
State Street Index	2.1%	3.7%	6.1%	7.2%	6.4%	6.0%	4.8%	4.6%	5.0%	6.2%	6.1%
Lehman Gov/Credit	2.0%	3.6%	6.0%	7.0%	6.2%	5.9%	4.7%	4.6%	4.9%	6.2%	6.1%
Barings	2.1%	4.1%	7.0%	8.2%	7.7%	6.8%	5.5%	5.5%	5.9%	6.7%	6.5%
Lehman Aggregate	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
Fidelity	1.3%	2.8%	3.9%	5.1%	4.5%	5.5%					
Lehman Aggregate	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
Western	0.7%	3.1%	4.1%	5.3%	5.3%	6.4%	4.7%				
Lehman Aggregate	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
Clearwater MBS	1.8%	3.6%	5.5%	6.4%	6.0%	6.3%	5.0%	5.0%	4.7%		
Lehman Mortgage	1.7%	3.6%	5.5%	6.6%	6.3%	6.4%	5.0%	5.1%	4.6%	5.8%	6.0%
DBF MBS	1.7%	3.4%	5.4%	6.4%	6.2%	6.3%	4.9%	4.8%	4.4%	5.7%	5.9%
Lehman Mortgage	1.7%	3.6%	5.5%	6.6%	6.3%	6.4%	5.0%	5.1%	4.6%	5.8%	6.0%
Idaho Mortgages	3.8%	5.4%	9.7%	11.8%	11.1%	8.6%	6.9%	5.9%	5.6%	7.3%	7.4%
Lehman Mortgage	1.7%	3.6%	5.5%	6.6%	6.3%	6.4%	5.0%	5.1%	4.6%	5.8%	6.0%
TIPS	4.1%	6.9%	10.9%	11.8%	8.3%	6.7%	6.0%	6.6%	7.7%	8.7%	
Lehman TIPS	4.0%	6.5%	9.9%	11.8%	9.2%	6.6%	5.5%	6.1%	7.0%	8.1%	
Western - TIPS	3.8%	6.5%	9.8%	11.8%	10.1%						
Lehman TIPS	4.0%	6.5%		11.8%	9.2%	6.6%	5.5%	6.1%	7.0%	8.1%	

REAL ESTATE

PERSI Real Estate	-4.5%	-2.1%	-3.4%	2.2%	1.4%	13.6%	15.4%	19.0%	21.2%	18.7%	17.2%
NCREIF	1.2%	3.9%	7.1%	16.0%	17.3%	17.6%	18.0%	16.5%	14.7%	12.7%	13.1%
Adelante	-11.9%	-7.1%	-11.6%	-15.7%	-16.9%	8.2%	12.4%	17.6%	20.7%	18.6%	15.6%
S&P REIT	-9.2%	-4.5%	-11.4%	-12.1%	-13.5%	8.8%	11.5%	15.8%	19.1%	17.1%	10.9%
Koll	0.5%	1.7%	2.2%	16.2%	16.3%	8.1%	6.2%	5.9%			
NCREIF	1.2%	3.9%	7.1%	16.0%	17.3%	17.6%	18.0%	16.5%	14.7%	12.7%	13.1%
Prudential		4.5%	10.9%	20.0%	20.0%	19.5%	19.7%	18.1%	16.7%	14.3%	13.9%
NCREIF	1.2%	3.9%	7.1%	16.0%	17.3%	17.6%	18.0%	16.5%	14.7%	12.7%	13.1%
Olympic		-4.0%	-4.0%	13.1%	13.1%	6.4%					
NCREIF	1.2%	3.9%	7.1%	16.0%	17.3%	17.6%	18.0%	16.5%	14.7%	12.7%	13.1%

PRIVATE EQUITY

(Time weighted)

	Month Ending	Quarter Ending	Fiscal Year Ending	Cal Year Ending	1 Year Ending	2 Years Ending	3 Years Ending	4 Years Ending	5 Years Ending	7 Years Ending	10 Years Ending
PERSI Private Equity	0.6%	4.7%	9.5%	22.5%	22.8%	17.7%	22.5%	21.9%	17.1%	5.9%	6.9%
R3000	-4.5%	0.8%	-1.2%	5.8%	7.0%	10.7%	10.4%	11.0%	12.4%	4.3%	6.5%
IdaWest			17.1%	17.7%	41.2%	42.8%	33.4%	40.0%	30.9%	43.9%	31.2%
Galen	6.6%	8.6%	13.2%	57.8%	59.2%	18.3%	13.2%	12.9%	9.7%	6.0%	5.4%
Furman Selz	-8.8%	40.3%	73.7%	121.1%	121.1%	69.0%	47.3%	76.9%	55.7%	33.2%	
Harvest Ptnrs	7.7%	7.7%	-69.1%	-85.8%	-85.8%	-71.0%	-57.0%	-44.8%	-41.6%	-31.4%	-23.4%
Kohlberg & Co.	0.0%	0.1%	12.7%	10.4%	10.4%	-1.7%	-39.1%				
Providence	0.2%	3.2%	5.7%	6.6%	6.8%	12.1%	33.2%	50.9%	45.3%	9.9%	
Chisolm	1.6%	1.6%	3.5%	18.0%	18.0%	25.9%	24.8%	16.6%	10.0%	-3.4%	
Littlejohn		15.7%	-17.0%	42.1%	42.1%	27.9%	65.5%	44.2%	22.3%	13.9%	
Oaktree		4.5%	12.0%	93.8%	93.8%	95.3%	54.6%	53.6%	43.8%	27.1%	
Goense Bounds	3.0%	3.0%	4.3%	9.3%	9.3%	10.6%	8.4%	-3.0%	51.3%	28.4%	
Zesiger	-1.8%	13.2%	10.0%	5.7%	6.0%	14.8%	11.2%	7.8%	0.8%	-7.7%	
Highway 12		-0.1%	-5.0%	-11.0%	-11.0%	5.5%	0.1%	0.1%	-8.5%		
T3 Partners	1.0%	0.8%	24.3%	50.1%	50.7%	38.1%	48.3%	28.2%	56.0%		
Apollo		11.1%	34.2%	53.6%	53.6%	38.8%	63.7%	50.6%	48.8%		
Thomas Lee	-13.1%	-28.4%	-28.8%	-33.6%	-33.6%	-26.2%	-7.6%	-3.1%	-3.4%		
Green Equity			0.8%	3.9%	3.9%	5.2%	16.7%	-7.8%			
Gores	-4.1%	-5.2%	2.4%	43.4%	43.4%	33.7%	15.6%				
W Capital		3.9%	3.9%	6.9%	6.9%	12.2%	11.4%				
Frazier	2.0%	-1.3%	-1.2%	24.1%	24.1%	9.5%	2.8%				
Hamilton Lane Secondary		4.2%	9.4%	25.0%	25.0%	15.8%					

DEFINED CONTRIBUTION PLAN

	Month Ending	Quarter Ending	Fiscal Year Ending	Cal Year Ending	1 Year Ending	2 Years Ending	3 Years Ending	4 Years Ending	5 Years Ending	7 Years Ending	10 Years Ending
MCM Wilshire 5000	-4.4%	0.9%	-1.1%	6.3%	7.5%	10.9%	10.6%	11.4%	12.8%		
<i>Wilshire 5000</i>	-4.5%	1.0%	-1.1%	6.4%	7.6%	11.1%	10.7%	11.4%	12.9%	4.9%	6.6%
MCM S&P500	-4.1%	1.1%	-0.5%	6.5%	8.0%	11.1%	10.2%	10.9%	11.7%		
<i>S&P 500</i>	-4.2%	1.0%	-0.7%	6.2%	7.7%	10.9%	10.1%	10.8%	11.6%	3.5%	6.2%
MCM Int. Index	-3.1%	6.0%	2.8%	13.8%	17.3%	22.5%	19.6%	20.6%	20.6%		
<i>MSCI EAFE</i>	-3.3%	5.9%	2.8%	14.2%	17.8%	23.1%	19.9%	21.1%	21.8%	9.7%	9.4%
MCM Aggregate Index	1.9%	3.6%	5.7%	6.8%	6.1%	6.0%	4.8%	4.7%	4.7%		
<i>Lehman Aggregate</i>	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
Vanguard Growth & Inc	-4.5%	-0.7%	-2.1%	4.6%	5.3%	8.8%	8.9%	10.1%	11.3%		
<i>Wilshire 5000</i>	-4.5%	1.0%	-1.1%	6.4%	7.6%	11.1%	10.7%	11.4%	12.9%	4.9%	6.6%
T. Rowe Price Small Cap	-7.2%	-4.2%	-0.8%	-0.8%	-0.7%	5.8%	7.4%	10.2%			
<i>R2000</i>	-7.2%	-2.9%	-7.5%	-1.5%	-1.2%	7.7%	7.9%	10.1%	14.9%	9.4%	7.3%
Brandes International	-0.5%	5.4%	2.0%	11.3%	14.4%	20.8%	17.4%	20.0%	22.6%		
<i>MSCI EAFE</i>	-3.3%	5.9%	2.8%	14.2%	17.8%	23.1%	19.9%	21.1%	21.8%	9.7%	9.4%
Dodge & Cox	0.6%	2.3%	3.4%	5.9%	4.4%	4.7%	3.9%	3.9%	4.5%		
<i>Lehman Aggregate</i>	1.8%	3.5%	5.6%	6.7%	6.0%	6.0%	4.8%	4.7%	4.8%	6.0%	6.1%
Stable Value	0.3%	1.0%	1.7%	3.9%	4.2%	4.2%	4.3%	4.1%	4.2%		
Persi Total Return Fund	-2.3%	3.7%	2.9%	11.1%	12.3%	14.3%	13.1%	13.3%	14.1%	8.1%	8.9%

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ADELANTE (PUBLIC RE - REITS)
DOMESTIC EQUITY: WILSHIRE REIT BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Adelante Total Return	-11.97%	-7.09%	-16.95%	12.34%	20.71%
Wilshire REIT Index	-9.72%	-5.12%	-14.84%	12.43%	19.96%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

For the month ending November 30, 2007 – The Account underperformed the Dow Jones Wilshire REIT Index by 225 basis points due to both stock selection and sector allocation. Security selection within the Apartment sector was the largest detractor; while security selection in the Hotel sector tempered the negative variance, by declining 7.4%. Health Care was the only sector that generated a positive return, advancing a meager 0.2%, and not being exposed to the sector hurt performance. Our best performing holding was Public Storage, declining 4.5%; the worst performing holding was Vornado Realty Trust, falling 19.4%. During the month of November we began to establish a position in AMB Property Corp.

For the trailing quarter ending November 30, 2007 - The Account underperformed the Dow Jones Wilshire REIT Index by 197 basis points due to both stock selection and sector allocation. Only four of the twelve sectors in the Index experienced positive performance; our significant underweight to two of them, Industrial and Health Care, was the primary driver of the underperformance. Consistent with the month of November, security selection within Apartment detracted from performance while the Hotel stocks in the portfolio outperformed those in the same sector of the Index. Our best performing holding was Simon Property Group, advancing 3.7%. Our worst performing holding was BRE Properties, declining 19.3%.

Comments – As we experienced in August, strains in the financial markets dragged REIT shares down again. However, this time, the intraday volatility was more extreme and four days in the month of November climbed into the record book of best and worst performing days for the various REIT indices. We attended industry conferences for the Urban Land Institute and the National Association of Real Estate Investment Trusts to assess the sentiment, observations and realities of both private and public market participants in commercial real estate. By and large, 2007 has been a solid year for operating fundamentals but select markets and property types have been impacted by the housing and mortgage excesses. Many of our companies have expanded their credit facilities to prepare for further dislocation, however, asset prices have yet to reflect significant stress. The busiest participants appear to be portfolio lenders who are enforcing a restored discipline to the debt markets. If there is a silver lining to the dark clouds of REIT share price declines amidst the flight to quality in the fixed income market, it is that the average yields on REITs have returned to a positive spread relative to the yield on the 10-Year Treasury Note. While this may not unleash new capital, it will remove a negative stigma from our universe.

MANAGER STYLE SUMMARY

Adelante (formerly Lend Lease Rosen) manages the public real estate portfolio, comprised of publicly-traded real estate companies, primarily real estate investment trusts (REITs). Investments will generally fall into one of three categories as described in the Portfolio Attributes section: Core holdings, Takeover/Privatization candidates, and Trading Opportunities. Typical portfolio characteristics include current pricing at a discount relative to the underlying real estate value, attractive dividend prospects, low multiple valuations (P/FFO), and expert management. Chadwick Saylor (in conjunction with Hamilton Lane) oversees the investments in this portfolio, along with the private real estate portion.

ADELANTE (PUBLIC RE - REITS)
DOMESTIC EQUITY: WILSHIRE REIT BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Adelante	Wilshire REIT	Calc	Min	Max	Compliance
B2. All securities are publicly-traded real estate companies, primarily real estate investment trusts						ok
B3. Mkt Cap of Issuers of Securities in the Account				\$250		ok
B4. Single Security Positions <= 30% @ purchase						ok
B6a. P/FFO (12-mo trail)	16.51	15.11	1.09		1.30	ok
B6b. Beta	1.01	1.00	1.01	0.70	1.30	ok
B6c. Dividend Yield	3.60	4.52	0.80	0.80	2.00	check
B6d. Expected FFO Growth	6.08	6.58	92%	80%	120%	ok
E2. Commissions not to exceed \$0.06/share						ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B6c. Dividend Yield: The addition of seven Health Care REITs to the Index in September increased the Dividend Yield of the Index. The Portfolio has no exposure to Health Care.

PORTFOLIO ATTRIBUTES

Portfolio Guidelines section B5

Core Holdings (40% - 100%)

Actual: 81% ok

Consists of investments with the following characteristics: premier asset portfolios and management teams, attractive dividend yields, low multiple valuations, real estate property types or regions that are less prone to experience the impact of an economic slowdown.

Takeover/Privatization Candidates (0% - 15%)

Actual: 0% ok

Focuses on smaller companies which may be attractive merger candidates or lack the resources to grow the company in the longer-term. Also focuses on companies which may have interest in returning to the private market due to higher private market valuations.

Trading Arbitrage (0% - 20%)

Actual: 15% ok

Focuses on high quality companies which may become over-sold as investors seek liquidity.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				

BARING ASSET MANAGEMENT, INC.
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Baring Equity	-2.80%	8.80%	22.20%	17.40%	17.10%
Wilshire 5000	-4.50%	0.90%	7.50%	10.70%	12.90%
MSCI ACWI	-4.40%	4.70%	16.00%	16.80%	17.90%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Global equity markets fell by 4.4% in November. All regional markets were down over the month. Japan and Europe ex UK were the best performing markets falling by 1.9% and 2.2% respectively. The worst performing markets were the Emerging markets which fell by 7.1%.

Global sector performance was decidedly defensive. Health Care, Utilities and Consumer Staples were the only sectors that were up in the month rising by 1.8%, 1.4% and 1.3% respectively. All other sectors were down with Information Technology and Financials falling the most – both being down by 7%.

Continued worries about the dysfunctional state of global credit markets, the ongoing difficulties in the US housing market and slowing global economic growth weighed on markets over the month. Unlike October, investors in November began to worry that the slowing US economy would start to impact on profitability of Emerging market companies. In Europe leading economic indicators continue to deteriorate. Our own view remains the same and that is that we believe that given the historic correlation of US consumer spending to the US housing market and the ongoing deepening of the housing recession a consumer spending slowdown remains only a matter of time. As a result we continue to focus on finding secular growth stocks that are less likely to be impacted by this.

In the month we sold our holding in Korean industrial company Doosan Heavy Industries where despite an excellent growth outlook we felt the valuation had become too rich. We also sold our holdings in USG People where despite a cheap valuation we saw a deterioration of the growth prospects. We also sold our holdings in Swiss Re where we were disappointed by the surprising degree of exposure to subprime issues that the company revealed a mere 10 days after reporting what we felt were good third quarter results.

We added a number of new stocks to the portfolio in November. We bought US direct marketer Herbalife and industrial companies Foster Wheeler and Lockheed Martin. In Hong Kong we bought property company Henderson Land Development which we think will benefit from the decline in US interest rates via the peg between the Hong Kong dollar and the US dollar. In the UK we bought gold miner Peter Hambro Mining.

The fund outperformed the benchmark in the month. From an allocation standpoint, the overweight to the Europe ex UK market added some value in the month. Stock selection once again worked well in North America, Europe and the UK. From a sector standpoint, the overweight to Health Care and Consumer Staples were beneficial. We had good stock selection in the Financials and Consumer Staples sectors offset by poor stock selection in the Information Technology sector.

ORGANIZATIONAL/PERSONNEL CHANGES

none

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	n/a			

MANAGER STYLE SUMMARY

Baring tends to be a "top-down" manager, focusing on country and sector allocations with individual stock selection as a secondary consideration. Until the second half of 2004, Barings was asked to customize their portfolio to maintain a large cap growth exposure. Since then, Barings has implemented their fully integrated approach, which should result in portfolio characteristics similar to that of the benchmark, although they may have a tendency toward mid-capitalization stocks. Barings is not a "closet indexer" and is willing to have no presence in a country/region if they feel prospects are poor - this implies more volatility in returns compared to other global managers. Barings will actively hedge foreign currency exposures.

BARING ASSET MANAGEMENT, INC.
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	Baring EQ	Calc	Min	Max	Compliance
A1. ETF Security position <= 5% of the account @ purchase						ok
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		89		85	120	ok
B5. Normal Regional Exposures:						
United States & Canada		35%		30%	80%	ok
United Kingdom		11%		0%	30%	ok
Europe ex U.K.		25%		5%	40%	ok
Japan		7%		0%	25%	ok
Pacific ex Japan (Developed Index)		6%		0%	20%	ok
Non-Index Countries (All Emerging)		11%		0%	15%	ok
Cash & Hedges		4%				
Total		98%				
B6. Normal Global Portfolio Characteristics (MSCI All Country World)						
Capitalization	71,557	52,726	74%	70%	130%	ok
Price/Book Value	2.6	3.3	127%	80%	140%	ok
Price/Earnings (Next 12 mo)	13.8	15.4	112%	90%	120%	ok
Price/Cash Flow	8.8	12.0	137%	80%	140%	ok
Dividend Yield	2.3	1.7	74%	60%	120%	ok
Return on Equity	16.1	16.7	104%	75%	150%	ok
Return on Equity (5-Yr Avg)	19.1	17.6	92%	75%	150%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover		78%			120%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

BARING ASSET MANAGEMENT, INC.
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

** Annualized returns*

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Baring FX	2.17%	4.28%	7.64%	5.47%	5.90%
Lehman Aggregate	1.80%	3.49%	6.05%	4.78%	4.79%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Your portfolio outperformed the US market return in November (+2.17% versus +1.80%) The main positive contributor to performance was the duration positioning in the US longer than the index.

US Treasury yields fluctuated in November, selling off initially but later rallying. Ten year yields ended the month 53 bps lower.

US treasuries sold off at the beginning of November as upside threat to inflation became evident as oil prices continued to boost headline inflation. Recovery later in November was attributable to the risk of recession once again becoming the forefront of market news. The Fed continues to present a mixed message as the upside risk to inflation offsets the downside risks to growth. The market is unsure whether it will continue to act pre-emptively in the light of any further negative financial news.

Australian government bonds performed well in November. Government bonds temporarily sold off as the 25bps interest rate rise was accompanied by an unexpectedly hawkish tone. However, yields later continued their falling trend, with 10 year yields ending the month 14bps lower. The expected Labour party victory in the general elections had little impact on the markets.

Mexican government bonds underperformed US Treasuries. The near term policy bias continues to be towards policy tightening given the persistence of above target inflation.

Activity wise we added new exposure during the month to Poland out of the UK. This market has weakened in relative terms as risk aversion intensified meaning it now offers attractive value. We sold our holding of Inflation linked bonds taking profits on their strong performance at the beginning of the month.

At the end of November, we reduced our holding of US Treasury 2031 in favour of a number of high grade corporate bond issues. Value has become attractive here with investment grade US credit spreads over US Treasuries widening by 46bps with Financials leading the widening.

In currency management, we removed our Sterling currency exposure with the sale of our UK Gilt allocation. The contribution from currency management detracted slightly from overall performance due to the exposure to the Mexican peso which weakened against the dollar.

ORGANIZATIONAL/PERSONNEL CHANGES

MANAGER STYLE SUMMARY

BARING ASSET MANAGEMENT, INC.
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2007

Portfolio Guideline:	Baring FX	Min	Max	Compliance
A3. Rule 144A securities	0%		3%	ok
B2a. Regional/Sector Allocations:	100%			
NORTH AMERICA	92%	20%	100%	ok
Governments (incl Agy & Supranatl)	36%	0%	100%	ok
Mortgages (incl MBS & 1st Mtg Deb)	39%	0%	60%	ok
Corporates	12%	0%	50%	ok
US\$ Denominated Foreign Sovereigns	10%	0%	20%	ok
Canada	0%	0%	30%	ok
Cash	-5%			
JAPAN	0%	0%	40%	ok
MEMBERS OF EMU AND UK	0%	0%	60%	ok
OTHER (ABS, CMBS, munis & other non	8%	0%	15%	ok
Quality Allocations:				
SUB-INVESTMENT GRADE	0%	0%	35%	ok
US \$ Denominated Corporates	0%	0%	100%	ok
US \$ Denominated Foreign Sovereigns	0%	0%	100%	ok
Non-US \$ Denominated Corporates	0%	0%	100%	ok
Non-US \$ Denominated Sovereigns	0%	0%	100%	ok
B2b. Effective Duration +/- 40% of Benchmark		2.62	6.12	
	5.46	4.37	◀ Leh Aggr	ok
B3a. Corporate securities of one issuer <=5%				ok
B3b. Number of positions	58%	30		ok
B3ci. Regional allocations above also apply to forwards				ok
B3cii. Max forward w/single counterpart <=25%				ok
E2. Annual Turnover	67%		250%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

E2. Annual Turnover: Annual turnover INCLUDING Mortgage B'kd - 246.60%

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	N/A			

BERNSTEIN EMERGING MARKETS VALUE
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Bernstein EMV	-6.29%	8.97%	39.23%	34.63%	
MSCI EMF	-7.09%	14.68%	45.15%	37.12%	

COUNTRY ALLOCATION COMPARISON

<u>Over-weight</u>	<u>Bernstein</u>	<u>EMF</u>	<u>Under-weight</u>	<u>Bernstein</u>	<u>EMF</u>
Korea	20.33%	14.57%	China	9.41%	16.04%
Thailand	5.00%	1.35%	Russia	6.41%	9.79%
South Africa	9.22%	6.92%	India	4.72%	7.69%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Market Overview During November, the MSCI Emerging markets declined 7.1% in US dollar terms, underperforming developed markets, which retreated 4.1%, as measured by the MSCI World. Continuing concerns about the subprime mortgage sector hurt stocks globally, especially after several financial companies announced significant write-downs of assets. In addition, record oil prices weighed on investor sentiment, as did a downward revision of 2008 growth by the US Federal Reserve (Fed). At the country level, Peruvian and Chinese shares led the decline, as the MSCI Peru and MSCI China indices pulled back 13.7% and 13.5%, respectively. On the other hand, Columbia enjoyed a 2.6% gain for the month. All sectors fell, with the transportation and capital equipment sectors down most. Defensive stocks fared best during the down market, and the medical sector outperformed its peers.

Impacts on Performance The portfolio outperformed the MSCI Emerging Markets, gross of fees, due primarily to the portfolio's underweight and strong stock selection in China. The broader Chinese market fell for the first time in months as Chinese government officials announced they would postpone allowing mainland investors to purchase Hong Kong-listed stocks. Stock selection was strong, helped by avoidance of large benchmark names China Life Insurance and China Mobile, combined with the portfolio's exposure to outperformer China Netcom. Fixed-line operator China Netcom rallied on talk of Spanish telecom Telefonica increasing its stake from 5% to 10% as well as on expectations it will receive third-generation cellular licenses as the Chinese government accelerates restructuring of the telecom industry. Indian banks, such as Andhra Bank, benefited from prospects of further US interest rate cuts, which offer to boost growth. Investors also welcomed State Bank of India's efforts to raise additional capital in order to keep up with continued strong demand for loans, buoying the sector as a whole. Significant detractors included industrial commodities holdings Southern Copper and Jiangxi Copper. Concerns of slowing US and Chinese demand for commodities led to weaker commodity prices, in general, and copper prices, specifically, although the long term outlook for commodities remains positive. Another negative factor during the month was the portfolio's avoidance of Russian energy firm Gazprom. The integrated energy company was up on strong oil and gas prices and as Russian equities advanced following improved clarity about government elections—Russian stocks bounced back from several months of underperformance.

Outlook Because emerging markets have outperformed developed markets over the past couple of months, we see that the valuation spread between emerging and developed has continued to narrow. Currently, based on price-to-forward 12-month earnings estimates, emerging markets trade on par with developed markets. Emerging-market companies continue to be more profitable than their developed-market peers, but the outperformance of emerging markets relative to developed markets over the past few years has eroded the valuation discount emerging markets stocks had enjoyed.

MANAGER STYLE SUMMARY

Bernstein a value-oriented, "bottom-up" manager, focusing on individual security selection, where country and sector allocations are an outgrowth of stock selection. As with their global product, they seek companies which are undervalued relative to their long-term earnings prospects due overreaction by the market. Although country selection is a by-product of the stock selection process, Bernstein seeks to reduce risk and enhance returns by limiting country concentration and maintaining stable country weights, as compared to the historical volatility of country weightings in the MSCI Em Index.

BERNSTEIN EMERGING MARKETS VALUE
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE				NOVEMBER		2007
Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 8% of the account @ purchase						ok
B4. Number of issues		96		70	100	ok
B5. Normal Regional Exposures (* benchmark +/- min/max):						
Latin America *	20%	21%		15%	15%	ok
Asia *	55%	55%		15%	15%	ok
EMEA *	25%	22%		15%	15%	ok
Other		3%		0%	20%	ok
Total		100%				
B6. Normal Portfolio Characteristics (MSCI EM)						
Capitalization	50,078	20,238	40%	25%	100%	ok
Price/Book Value	2.8	1.9	67%	30%	100%	ok
Price/Earnings (Next 12 mo)	13.7	9.8	71%	30%	100%	ok
Price/Cash Flow	11.1	6.6	60%	30%	100%	ok
Dividend Yield	2.0	3.1	155%	75%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterparty <= 30% of total mv of account						ok
F3. Annual turnover		42%		30%	40%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

F3. Annual Turnover: The turnover percent is higher this month due to some construction changes in the emerging markets portfolio where we increased positions and bought into new names.

ORGANIZATIONAL/PERSONNEL CHANGES

Four fundamental analysts and four quantitative analysts were gained. Two fundamental analysts and two quantitative analysts were lost. AllianceBernstein personnel changes are tracked on a quarterly basis. Personnel gains and losses include internal transfers. Data as of 3Q07

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m): \$	8.9
Lost:	Number of Accounts:	1	Total Market Value (\$m): \$	-

Reason(s): Non-public information such as Accounts Gained and Lost cannot be disclosed until it is released to the public. This information will be available to PERSI on a quarterly basis. The numbers above represent Q3 2007.

BERNSTEIN GLOBAL STRATEGIC VALUE
GLOBAL EQUITY: MSCI ACWI BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Bernstein GSV	-5.08%	1.12%	9.76%	17.91%	
MSCI ACWI	-4.42%	4.64%	15.43%	16.28%	
Russell 3000	-4.50%	4.60%	7.05%	10.39%	

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Market Overview Global equity markets declined in November, with the MSCI World falling 4.1% in US dollar terms. Continuing concerns about the subprime mortgage sector hurt stocks, especially after several financial companies announced significant write-downs of assets. Nevertheless, markets recouped some losses towards month end amid expectations of another Fed rate cut. While Chinese equities declined in November, domestic economic growth remained robust. Fitch upgraded China's sovereign rating by one notch to A+. Inflation, however, remained a concern. Consequently, the Central Bank raised the reserve requirement ratio by 0.5% to 13.5%—the ninth increase of the year. European financials were also hurt by subprime mortgage write-downs. Cyclical sectors retreated during the month, with finance, construction & housing, and transportation sectors underperforming the most. On the other hand, defensive sectors enjoyed positive returns, including medical, utilities, and consumer staples. Among currencies, reversal of carry trades amid investor risk aversion resulted in sharp movements during the month. The Japanese yen, a common funding currency for carry trades due to its low yield, strengthened by 3.8% relative to the US dollar. Conversely, the higher yielding Canadian and Australian dollars fell by 5.2% and 4.8%, respectively, relative to the US dollar.

Impacts on Performance In November, before fees, the portfolio underperformed its benchmark. Security selection was the largest source of underperformance, with particular weakness among our financial and industrial commodity-related positions. Sector selection also detracted from relative performance, largely driven by an underweight to the outperforming consumer staples sector, and an overweight to the underperforming finance sector. Several of the portfolio's financial holdings fell amid further difficulties in the subprime mortgage market. Shares of Freddie Mac and Fannie Mae declined on news of deterioration in the credit quality of their mortgage portfolios. Another detractor was French automaker Renault, which fell on concerns of weaker US auto sales and a stronger yen given its exposure to the US market through its Nissan subsidiary. Shares in Germany's largest utility E.ON contributed to relative returns as the company announced earnings which exceeded expectations and a share buyback based on improved margins due to higher electricity prices. Japanese banking group Sumitomo Mitsui Financial Group benefited from its half-year earnings, which showed widening spreads between its borrowing and lending rates and confirmed the bank had little exposure to subprime-related assets.

Outlook Our research and experience as value managers has taught us to keep portfolio risk proportionate with the value opportunity we identify. After a lengthy period of compression, valuation spreads are beginning to widen. Therefore, we may see increased opportunities to raise the portfolios' concentration in undervalued industries and companies.

ORGANIZATIONAL/PERSONNEL CHANGES

Four fundamental analysts and four quantitative analysts were gained. Two fundamental analysts and two quantitative analysts were lost. AllianceBernstein personnel changes are tracked on a quarterly basis. Personnel gains and losses include internal transfers. Data as of 3Q07

ACCOUNT TURNOVER

Gained:	Number of Accounts:	8	Total Market Value (\$m):	\$	530.8
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	Bernstein is a publically held company and cannot disclose non-public information such as Accounts Gained and Lost until it is released to the public. 3Q07 data above.			

MANAGER STYLE SUMMARY

Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

BERNSTEIN GLOBAL STRATEGIC VALUE
GLOBAL EQUITY: MSCI ACWI BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 10% of the account @ purchase						ok
B4. Number of issues		86		25	75	check
B5. Normal Regional Exposures (* benchmark +/- min/max):						
United States *	42%	35%		25%	25%	ok
Europe ex U.K. *	20%	26%		15%	15%	ok
UK *	10%	12%		10%	10%	ok
Japan *	9%	12%		10%	10%	ok
Emerging Markets		13%		0%	20%	ok
Other		2%		0%	20%	ok
Total		100%				
B6. Normal Global Portfolio Characteristics (MSCI ACWI)						
Capitalization	78,588	75,402	96%	50%	100%	ok
Price/Book Value	2.6	1.8	69%	50%	100%	ok
Price/Earnings (Next 12 mo)	13.7	10.3	75%	50%	100%	ok
Price/Cash Flow	10.8	6.8	63%	50%	100%	ok
Dividend Yield	2.3	2.9	130%	75%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterparty <= 30% of total mv of account						ok
Forwards executed with Custodian <= 100% of the total mv of account, given credit check						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover		33%		30%	40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B4. Number of Issues:

There are some ADR market purchases that have been repurchased in their market. Both are counted.

BRANDES INVESTMENT PARTNERS, L.P.
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Brandes	-3.93%	0.78%	10.14%	15.45%	19.64%
Russell 3000	-4.50%	0.80%	7.05%	10.39%	12.45%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

In November portfolio return was negative, but slightly ahead of the world markets. Stocks in Germany, South Korea and France were among the largest positive contributors to returns. Holdings in the Netherlands, Brazil and especially the US, had the largest negative impact on portfolio performance.

On an industry basis, holdings in the pharmaceuticals, food products and diversified telecommunications services had the largest positive impact. Stocks in the automobiles, thrifts & mortgage, communications equipment and semiconductor & semiconductor equipment industries had the largest negative impact on performance. Holdings in most other industries had a negative contribution to returns. The large underweight in oil, gas and consumable fuels and in metals & mining had a positive impact on relative performance. Best performers for the month included Deutsche Telekom, Unilever, Sanofi-Aventis and Tenet Healthcare. General Motors, Countrywide Financial, Washington Mutual, Ford and Dell were among the worst performers for the month.

In November Brandes added three new names (Freddie Mac, Fannie Mae, Citigroup), and sold two completely (Altria Group and PT Multimedia Servicos – media, Portugal).

The normal stock-specific trades, as well as changes in the prices of existing shares shifted the portfolio's country and industry exposures slightly. As of 11/30/07, the largest weightings remain in the US (small underweight), diversified telecom services (large overweight), Japan (overweight) and pharmaceuticals (large overweight). Overall, Brandes believes the portfolio remains well positioned to deliver favorable long-term results.

While Brandes monitors short-term events in international equity markets, their investment philosophy focuses on company-by-company analysis with a long-term perspective. Although this summary includes shorter-term and top-down information, Brandes continues to focus on applying our bottom-up, value philosophy over the long term with the goal of delivering better-than-benchmark results.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	Total Market Value (\$m):	\$	-
	Reason(s):			

MANAGER STYLE SUMMARY

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

BRANDES INVESTMENT PARTNERS, L.P.
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		82		40	70	check
B5. Normal Country Exposures:						
United States & Canada		46%		30%	100%	ok
Americas ex U.S.		4%		0%	40%	ok
United Kingdom		7%		0%	25%	ok
Europe ex U.K.		25%		0%	50%	ok
Japan		16%		0%	45%	ok
Pacific ex Japan		3%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash & Hedges		1%				
Total		100%				
B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
Capitalization	\$60,863	\$64,809	106%	30%	125%	ok
Price/Book Value	2.4	2.7	114%	50%	100%	check
Price/Earnings	15.3	20.3	133%	50%	100%	check
Price/Cash Flow	10.0	8.7	87%	50%	100%	ok
Dividend Yield	2.5	2.6	102%	90%	150%	ok
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization	\$103,389	\$57,804	56%	30%	125%	ok
Price/Book Value	2.9	2.6	89%	50%	100%	ok
Price/Earnings	16.9	16.0	94%	50%	100%	ok
Price/Cash Flow	12.0	10.2	85%	50%	100%	ok
Dividend Yield	1.9	2.8	148%	90%	150%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share or 50% of principal (non-U.S.)						ok
F2. Annual turnover		37%			100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

- B4. Number of Issues: Several equity securities of the same company (e.g., ADR/local). Also, due to the breakup of Telebras into several separate companies, trading at attractive valuation.
- B6. Price/Book Value: Brandes found value in a number of companies with relatively low book values like communication/technology stocks.
- B6. Price/Earnings: Brandes found value in a number of companies with low reported earnings like communication/technology stocks and Japanese stocks.

CAPITAL GUARDIAN TRUST COMPANY
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Capital Guardian	-4.69%	3.48%	12.43%	14.41%	15.92%
MSCI World	-4.05%	3.64%	13.10%	15.12%	16.58%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

World Markets - November: Stocks buckled as credit market conditions took a turn for the worse and economic data confirmed that corporate profitability was decelerating. Major global banks reported large write-downs of fixed-income assets as securitized debt markets continued to unravel. Rising defaults, especially in the U.S. subprime mortgage market, triggered the unwinding of several off-balance-sheet financing conduits. With the availability of off-balance-sheet financing shrinking dramatically, some banks and the government-sponsored mortgage agencies in the U.S. scrambled to lock in funding, underscoring the severity of the dislocation in the capital markets. Government bonds rallied; the euro and the yen gained against the dollar.

November Portfolio Attribution: Stock selection in U.S. names hurt with Cisco Systems (1.1% of the portfolio) was down 15.3%, Washington Mutual (0.4%) lost 30.1%, Fannie Mae (0.6%) was down 32.6%, and Sandisk Corp (0.9%) lost 15.7%. Stock selection in Energy also hurt with Canadian companies Canadian Natural Resources (1.1%) losing 17.4% and Cameco Corp (1.1%) down 10.9% for the month. Currency exposure and stock selection in Japan was helpful.

Rolling 3-month Attribution: Stock selection in U.S. Info Tech hurt (i.e., Sandisk Corp, Cisco Systems, KLA-Tencor, Applied Materials) as did U.S. Financials (i.e., Washington Mutual, Fannie Mae, Wachovia Corp). Canadian Materials was helpful (i.e., Potash Corp, Barrick Gold) as was U.K. Materials (i.e., Rio Tinto, BHP Billiton).

Outlook and Strategy: While the U.S. is still the world's largest economy, other countries have become significant sources of final demand and we therefore believe the global economy is better positioned to withstand a U.S. downturn than in past years. Recent market events, however, will likely have some negative economic consequences. Tighter access to credit will likely curtail growth to some degree, making the outlook for global economic growth less certain. As a result, we are increasingly focused on companies with earnings that are visible, durable and growing for secular rather than cyclical reasons. Many of our information technology holdings fit this description well. Surprisingly, perhaps, so do stocks in the materials sector, where demand growth is being fueled by rapid expansion in the economies of China, India and Russia.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	2	Total Market Value (\$m):	\$	208,700.0
	Reason(s):	One account (Global ex Canada) lost due to performance. The other loss was due to a plan restructuring.			

MANAGER STYLE SUMMARY

Capital Guardian is a "bottom-up" manager, focusing on individual security selection in light of macroeconomic factors (country, sectors, currency). Capital Guardian's investment process is unique in that it is essentially a portfolio of 10 independently managed portfolios consisting of one U.S., one North America, three non-U.S., and five global managers (one of which is the research portfolio). Portfolio manager allocations are based on portfolio management experience.

CAPITAL GUARDIAN TRUST COMPANY
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	CGTC	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues	273			200	250	check
B5. Normal Country Exposures:						
United States	37%				75%	ok
Emerging Markets	3%				10%	ok
The following are limited to the larger of 25% of the total portfolio or 2 times the MSCI World benchmark weight:						
Japan	10%	14%	1.5		25%	ok
United Kingdom	11%	11%	1.0		25%	ok
Germany	4%	4%	0.9		25%	ok
France	5%	6%	1.2		25%	ok
Switzerland	3%	4%	1.3		25%	ok
The following are limited to the larger of 10% of the total portfolio or 3 times the MSCI World benchmark weight:						
Other MSCI World (incl Can)	20%	22%	1.1		10%	ok
B6. Normal International Portfolio Characteristics (MSCI EAFE)						
Capitalization (wtd avg)	65	57	88%	60%	100%	ok
Price/Earnings (trail)	14.3	17.0	119%	80%	135%	ok
Dividend Yield	2.8	2.1	74%	80%	105%	check
Price/Book Value	2.2	2.6	115%	90%	120%	ok
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization (wtd avg)	86	75	87%	40%	75%	check
Price/Earnings (trail)	16.8	17.0	101%	90%	125%	ok
Dividend Yield	1.8	1.5	84%	70%	110%	ok
Price/Book Value	2.7	2.7	97%	70%	105%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover	43%				120%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

- B4. Number of Issues: The portfolio holds more than one issue of some securities. Total number of ISSUERS is 264.
- B6. Dividend Yield: Through our bottom-up stock selection process, we are holding names that on average have a relatively low dividend yield.
- B7. Capitalization (wtd avg): Through our bottom-up stock selection process, we are holding names that on average have a relatively high market capitalization.

CLEARWATER ADVISORS, LLP
MORTGAGE TBAs: MERRILL LYNCH MORTGAGE MASTER BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater (CW) TBA	1.66%	3.40%	5.88%	4.79%	4.64%
CW TBA + CW Cash	1.73%	3.46%	6.09%	4.90%	4.75%
Merrill Lynch Mortgage Mast	1.89%	3.80%	6.45%	5.31%	4.76%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Uncertainty remains on top of the list of concerns in the market over the last month leading to a flight to quality.

Two year swap spreads widened significantly from 64 to 90bp leading to out performance of treasury bonds. Fed funds futures show a 100% probability of another 25 bp rate cut in December with a 50% probability of the Fed moving 50 bp.

The 5-10 year Treasury Index returned 3.673%. The TBA portfolio underperformed the Merrill Lynch Mortgage Master Index due to our portfolio being slightly short duration as rates dropped.

PORTFOLIO GUIDELINE COMPLIANCE

Portfolio Guideline:	Clearwater	Min	Max	Compliance
A1. The account shall consist solely of dollar denominated TBA mortgage securities				ok
B2a. Effective duration +/- 10% of index	3.01	3.05	◀ ML Mtge	ok
B2b. Number of securities	6	5	30	ok
Cash position covers TBA positions (in \$ millions)	Cash	\$ 167.6		
	TBA positions	\$ 162.2		ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	N/A			

MANAGER STYLE SUMMARY

The mortgage TBA portfolio consists of "To Be Announced" mortgage-backed securities. These are pools of mortgages which are yet to be issued and can be purchased without immediate cash payment. PERSI requires a cash balance large enough to cover all TBA positions, thus, this portfolio will tend to maintain a high cash position. The "TBA + CW Cash" performance includes the excess returns over Mellon STIF generated by the Clearwater Cash portfolio.

CLEARWATER ADVISORS, LLP**CASH: 90-DAY LIBOR**

FOR THE MONTH OF:

NOVEMBER

2007

MANAGER PERFORMANCE CALCULATIONS** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater - PERSI STIF	0.47%	1.33%	5.54%	4.57%	3.27%
ML 3 Month LIBOR	0.35%	1.43%	5.54%	4.50%	3.19%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

During November 3 Month LIBOR rose nearly 25 basis points even while the market's expectation of another Fed easing increased. The yield on the 2 year treasury note fell 95 basis points - highlighting a concern for inflation and a continuing flight to safety. The current stream of news surrounding Structured Investment Vehicles and the funds, firms and municipalities being affected by them underscore our long held philosophy that an investor must be able to understand the nature of the securities that one holds regardless of yield or even credit rating. Transparency and a clear, consistent investment style remain at the top of our priorities when considering how to best add value to the portfolio. We have increased duration slightly in anticipation of another rate cut and continue to find value in commercial paper and short corporate bonds.

PORTFOLIO GUIDELINE COMPLIANCE

Portfolio Guideline:	Clearwater	Min	Max	Compliance
B2a. Sector Allocations:	100%			
Treasuries	0%	0%	100%	ok
Agencies	0%	0%	100%	ok
Corporates	9%	0%	100%	ok
Mortgage Backed Securities (MBSs)	0%	0%	60%	ok
Asset Backed Securities (ABSs)	0%	0%	40%	ok
Cash	9%	0%	100%	ok
Commercial Paper	82%	0%	100%	ok
B2b. Quality: Securities must be rated investment grade by S&P or Moody's at time of purchase				ok
B2c. Effective Duration <=18 months	2		18	ok
B2d. Number of securities	31	10	50	ok
B3a. Allocation of corporate securities to one issuer	5%		5%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

MANAGER STYLE SUMMARY

The enhanced cash portfolio was created with the expectation that the portfolio will generate returns similar to, or in slight excess of, the Mellon Short-Term Investment Fund (STIF), while providing PERSI with an increased level of transparency into the cash portfolio.

D.B. FITZPATRICK & Co., INC. - IDAHO COMMERCIAL MORTGAGE PORTFOLIO
DOMESTIC FIXED: LEHMAN MORTGAGE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Idaho Commercial Mortgages	3.82%	5.36%	11.04%	6.84%	5.50%
Lehman Mortgage	1.74%	3.56%	6.30%	5.04%	4.64%

PORTFOLIO SUMMARY

Market Value \$ 315,143,889

Delinquencies/REOs

		<u>\$ Amt</u>	<u>% of Portfolio</u>
Originations/Payoffs			
	30 days	\$ -	0.00%
Month: \$ 2,469,072	60 days	\$ -	0.00%
Year to Date: \$ 37,594,167	90 days	\$ -	0.00%
	120+ days	\$ -	0.00%
Payoffs: \$ -	REOs	\$ -	0.00%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The PERSI Commercial Mortgage Portfolio had a total return of 3.82% and outperformed the Lehman Mortgage Index by 208 basis points for the month of November. Year to date, the portfolio has returned 11.04% compared to the Lehman Mortgage Index return of 6.30% over the same time period.

The strong returns over the last one year period are a function of changes in the yield curve, the volume of originations and the mark-to-market pricing methodology implied in commercial mortgage valuation. This creates periods of underperformance in the commercial mortgage portfolio that we have seen in past years as well as periods of strong outperformance that we are seeing in the current year. As always, the mortgage cost return data during a complete market cycle is more stable and is a more accurate measure of realized return on assets that are held to maturity or until refinancing.

MANAGER STYLE SUMMARY

The Idaho Commercial Mortgage portfolio is managed by DBF and consists of directly owned Idaho commercial mortgages. DBF oversees the origination process, the monitoring of the portfolio, and services 50% of the portfolio.

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D.B. FITZPATRICK & Co., INC. - MBS PORTFOLIO
DOMESTIC FIXED: LEHMAN MORTGAGE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS				<i>* Annualized returns</i>	
	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
DBF MBS	1.70%	3.43%	6.20%	4.88%	4.42%
Lehman Mortgage	1.74%	3.56%	6.30%	5.04%	4.64%

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>DBF</u>	<u>Leh Mtge</u>
Market Value (\$ m)	\$179.35	N/A
Weighted Average <i>Effective</i> Duration (in years)	3.2	2.9
Weighted Average Yield (in %)	5.3%	5.3%
Weighted Average Coupon (in %)	5.5%	5.5%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The PERSI MBS portfolio trailed the Lehman Mortgage Index by 4 basis points for the month of November. This difference from the index is a result of the relatively high cash balance held in the portfolio (especially late in the month) in anticipation of upcoming loan fundings for the commercial mortgage program.

As stated before, we expect the performance and attributes of the PERSI MBS portfolio to closely track those of the Lehman Mortgage Index. The timing and amount of cash flows into and out of the portfolio (as a result of loan payoffs and fundings in the commercial mortgage program) will have an incremental effect on returns, as seen in November.

Our outlook for the U.S. economy is somewhat more sanguine than the consensus. We expect growth to slow considerably from the rapid pace of Q3, but we do not expect a recession. If anything, we believe the market has recently underestimated future growth and inflation (and overestimated the number of future Fed rate cuts) as illustrated by the U.S. Treasury yield curve.

MANAGER STYLE SUMMARY

DBF's MBS (Mortgage Backed Security) portfolio is a "core" holding which attempts to generally track the returns of the Lehman Mortgage Index. Excess returns are added through security selection and interest rate bets, although such bets are expected to be limited and relatively low-risk. DBF also manages the Idaho Mortgage Program in conjunction with this portfolio -- the MBS portfolio serves as a "cash reserve" of sorts, to fund mortgages managed through the Idaho Mortgage Program. Consequently, we expect this portfolio to hold traditional MBS instruments and to maintain a reasonably healthy status, with no significant bets which could go significantly awry.

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DONALD SMITH & CO., INC.
DOMESTIC EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Donald Smith & Co.	-4.59%	-3.91%	-0.90%	12.89%	n/a
Russell 3000	-4.50%	0.80%	7.05%	10.39%	n/a

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>DSCO</u>	<u>RU 3000</u>	<u>Sector Analysis</u>		
			<u>Over-weight</u>	<u>DSCO</u>	<u>RU 3000</u>
Mkt Value (\$m)	237.09	N/A	Financial Serv	18.30%	19.43%
Wtd Cap (\$b)	4.70	87.99	Autos/Transpc	12.60%	2.50%
P/E	8.09	16.10	Utilities	14.40%	7.14%
Beta	1.11	0.99			
Yield (%)	1.60	1.78			
Earnings Growth			<u>Under-weight</u>	<u>DSCO</u>	<u>RU 3000</u>
			Healthcare	0.00%	12.31%
			Technology	18.30%	13.36%
			Consumer Sta]	0.00%	7.10%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The account slightly underperformed the Russell 3000 and outperformed the Russell 3000 Value in the latest month. The month's biggest losers were the semiconductor chip stocks (Micron, Qimonda, Semi Manufacturing, Spansion) which continued to suffer from very weak chip prices. Visteon (-30.7%), the auto parts supplier, also experienced a sharp decline.

The position in Unum Group was scaled back on strength. We added to the Qimonda holding on weakness.

Memory chip prices have declined up to 80% from their peaks to levels that are close to cash costs. We are starting to see capacity closures and announcements of capital spending cutbacks for 2008. At some point, supply/demand should get back into better balance and prices will recover. The four chip stocks we own in the portfolio sell on average at a very attractive 62% of tangible book value. The portfolio overall sells at a price slightly below book value.

MANAGER STYLE SUMMARY

Donald Smith & Co manages an all-cap portfolio, employing a bottom-up, deep value investment strategy. They invest in stocks with low P/B ratios and which are undervalued given their long-term earnings potential. Consequently, the portfolio will consist of securities with higher dividend yield and lower P/B and P/E ratios relative to the market. This is a concentrated portfolio, consisting of approximately 15-35 issues, and as a result, may experience more volatility than the market.

DONALD SMITH & Co., INC.
DOMESTIC EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	DSCO	RU 3000	Calc	Min	Max	Compliance
B2. Security Market Cap (in \$m) > \$100 m @ purchase						ok
B3. Security Positions <= 15% @ purchase						ok
B4. Number of issues	18			15	35	ok
B5. Portfolio Characteristics						
P/B	0.92	2.72	34%	30%	100%	ok
P/E (1 Year Forward)	8.09	16.10	50%	50%	100%	ok
Dividend Yield	1.60	1.78	90%	50%	150%	ok
Beta	1.11	0.99	112%	70%	130%	ok
F2. Commissions not to exceed \$0.05/share; explanation required for commissions >\$0.07/share						ok
F3. Annual Turnover	26%			20%	40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				

FIDELITY INVESTMENTS
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Fidelity	1.31%	2.79%	4.75%	n/a	n/a
Lehman Aggregate	1.80%	3.49%	6.05%		

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Treasury yields declined drastically in November as the economy continued to show signs of weakening. Rising oil prices and sub-prime mortgage volatility contributed to falling yields, with the 10-year Treasury note dipping below 4 percent, down from 4.70% in mid-October. Stress on the credit markets along with weaker-than-expected economic data boosted bets that the Fed will cut rates by 50 basis points at its next meeting. Fed fund futures contracts have priced in a 96% chance of a rate cut of at least 25 bp.

Rising oil prices, falling home sales and unstable financial markets weighed on consumer spending in November. Consumer spending and income both inched up a mere 0.2%, reinforcing Fed Chairman Bernanke's warning of headwinds in the coming months. The Consumer Confidence Index dropped to a 2-year low at 87.3, down from a revised 95.2 in October and below the predicted 91.5. Inflation readings held steady, as the core Consumer Price Index, which strips out volatile food and energy prices, rose 0.2%, matching last month's gain and this month's expectations. Manufacturing was also little changed, with the ISM Manufacturing Index closing at 50.8, down from 50.9 in October and above the forecasted 50.5.

The Lehman Aggregate Index returned 1.80% in November. While declining rates buoyed returns for all bonds, the spread sectors experienced one of the worst months ever versus same-duration Treasuries on the heels of a massive flight to quality that occurred during the month. CMBS fared worst, as securities throughout the entire capital structure were sent reeling. The sub-prime mortgage market continued to experience volatility, although news regarding government agencies trying to help borrowers through loan modifications helped rally spreads towards month end. Within Credit, financials in particular were pummeled due to uncertainties surrounding the magnitude of future sub-prime related write-offs.

The portfolio underperformed the benchmark for the month. Detracting from relative returns was the portfolio's overweight position to sub-prime mortgages and CMBS, which fared poorly versus similar duration Treasuries. Also detracting was the allocation to HYCMBS, which underperformed the Lehman Aggregate Index.

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				

MANAGER STYLE SUMMARY

Fidelity manages a customized portfolio for PERSI, which falls outside of their traditional Core Plus product. The primary difference is the separate account structure of the 'plus' sectors, which include High Yield, Emerging Market Debt and High Yield Commercial Mortgage Backed Securities. This portfolio is expected to be more volatile than the traditional underlying product due to the tactical and concentrated nature of the 'plus' sectors.

FIDELITY INVESTMENTS
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE		NOVEMBER 2007			
Portfolio Guideline:	Leh Aggr	Fidelity	Min	Max	Compliance
B2a. Sector Allocations					
North America					
Governments		24%	0%	100%	ok
MBS & ABS		45%	0%	60%	ok
Investment Grade Corporates		21%	0%	100%	ok
High Yield		0%	0%	40%	ok
High Yield CMBS		8%	0%	20%	ok
Non-US					
Emerging Market Debt		0%	0%	20%	ok
Investment Grade		0%	0%	40%	ok
B2a. Quality Allocations: Below Investment Grade					
U.S.		4%	0%	50%	ok
Non-\$ Denominated		0%	0%	20%	ok
B2b. Portfolio Characteristics					
Effective Duration	4.39	4.26	3.00	7.00	ok
Effective Convexity	-0.39	-0.16	-0.70	0.70	ok
Coupon	5.44	4.51	3.00	9.00	ok
Current Yield	5.36	4.42	3.00	9.00	ok
Yield to Maturity	4.86	5.36	3.00	9.00	ok
Number of holdings			150	400	
B2c. Credit Quality: Issues below Baa3 & BBB-/A2 and P2					
		4%	0%	50%	ok
B2d. Derivatives:					
Original futures margin & option premiums		0%	0%	5%	ok
Short options positions hedged w/cash, cash equiv, current holdings or other positions					ok
B2e. Commodities:					
		0%	0%	5%	ok
B3a. Allocation to securities of any corporate issuer					
		1%	0%	5%	ok
B3b. Foreign currency forward contracts					
i. Sector allocations above apply to currency exposure					ok
ii. Aggregate forward exposure w/any single counterpart		0%	0%	25%	ok
v. Max value of forward w/any single counterparty		0%	0%	30%	ok
E2. Annual Turnover (including mortgage rolls)					
		150%	150%	450%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

FORTIS INVESTMENTS
GLOBAL EQUITY: MSCI ACWI BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Fortis	-2.48%				
MSCI ACWI	-4.42%				

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Global Equities pulled back in November as renewed credit fears emerged, amidst sub-prime related write-offs at a number of large financial institutions. Rising risk aversion was evident as defensive sectors such as utilities, health care and consumer staples outperformed the market. Not surprisingly, financials were the weakest performing sector. Additionally the Japanese yen appreciated against most major currencies indicating some carry trade unwinding. The Fed helped restore some positive sentiment toward the end of the month with some market-friendly comments regarding interest rates.

Despite the difficult market environment, we outperformed the index in November as our strong stock selection within the financials, materials and telecom sectors were the primary contributors to relative performance. We benefited from our overweight position in Rio Tinto, which rallied sharply following news that BHP Billiton was seeking to acquire the company in a deal that would create an entity controlling one-third of the world's iron ore sales. We were also helped by our overweight positions in Constellation Energy, Chubb, MTS and Cosmote.

We remain cautious in our outlook. We continue to like the fundamental case for global equities relative to other asset classes, as corporate balance sheets remain quite healthy and equity valuations are not overly stretched. We also continue to see a better balance of growth from the major regions which will underpin longer term sustainability. Our strategy remains focused on identifying the stocks with superior earnings and free-cash-flow growth that are supported by the sustainability of that growth.

On a longer term horizon we remain concerned by the liquidity bubble and its inevitable consequences. The Asian savings glut, American consumers' borrowing spree and Yen carry trade have helped global liquidity reach unprecedented levels. The correction of this liquidity bubble, its timing, implications to growth and risk premiums all remain significant concerns. However our fully invested, sector/region-neutral approach prevents us from having to play the guessing game. We remain focused on identifying the most attractive companies operating across the globe without incurring sector, region or currency risks for our clients.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				

MANAGER STYLE SUMMARY

Fortis is a fundamental, growth-oriented, "bottom-up" manager, who seeks to add value through individual security selection while maintaining a relatively sector/region neutral portfolio. They seek to add value by building a portfolio representing the most successful global businesses and look for companies with superior free cash flow and revenue growth. This is a concentrated portfolio, representing their best ideas and consisting of approximately 45 stocks, and as a result, may experience more volatility than the market.

FORTIS INVESTMENTS
GLOBAL EQUITY: MSCI ACWI BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	Fortis	Calc	Min	Max	Compliance
B3. No more than 5% of the account shall be invested @purchase in any one security						ok
B4. Number of issues		48		35	55	ok
B5. Normal Regional Exposures (relative to index levels)						
North America (US & Canada)	45%	49%		35%	55%	ok
Europe (Developed, incl UK)	31%	31%		21%	41%	ok
Japan	9%	7%		4%	14%	ok
Asia ex Japan (Developed)	5%	4%		0%	10%	ok
Emerging Markets	10%	9%		0%	20%	ok
Total		100%				
B6. Normal Global Portfolio Characteristics (relative to index)						
Capitalization	71,522	49,621	69%	50%	120%	ok
Price/Book Value	2.6	3.5	135%	100%	200%	ok
Price/Earnings (projected)	14.9	17.9	120%	100%	200%	ok
Price/Cash Flow (projected)	10.4	14.6	140%	75%	150%	ok
Dividend Yield	2.3	1.5	68%	75%	125%	check
ROE	20.3	21.5	106%	100%	150%	ok
Sales Growth	14.0	19.4	139%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterparty <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover		51%			200%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B6. Dividend Yield:

The source for characteristic data for this report is from Factset. Our internal risk decomposition system (UBS PAS) actually shows the portfolio's dividend

GENESIS ASSET MANAGERS LIMITED
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Genesis	-5.35%	8.77%	32.96%	33.45%	36.83%
MSCI EM	-7.08%	14.70%	45.56%	37.58%	36.43%

COUNTRY ALLOCATION COMPARISON

<u>Over-weight</u>	<u>Genesis</u>	<u>EM</u>	<u>Under-weight</u>	<u>Genesis</u>	<u>EM</u>
Indonesia	5.93%	1.73%	China	5.46%	16.04%
Egypt	4.03%	0.83%	Taiwan	6.29%	10.26%
South Africa	9.82%	6.92%	South Korea	11.46%	14.57%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The portfolio outperformed the MSCI EM index by over 1.7% in November. A limited number of positions within the portfolio posted gains on the month, with the largest contributors being Mobile Telesystems (Russia), International Container Terminal (Philippines) and GAIL (India). The list of detractors was headed by Standard Bank (South Africa), Mediatek (Taiwan) and Infosys (India). In relative performance terms the portfolio was particularly successful in Asia. Most value was added in China, as along with the underweight position every holding there outperformed the country benchmark. Further gains were made through a number of stocks in South Korea, and in Taiwan the underweighting added value. On the negative side only Russia saw notable losses, largely due to the absence of Gazprom from the portfolio. In sector terms significant value was added through good stock returns in Financials and Industrials, although some of this was lost through the underweight position in the strong Energy sector.

Over the last 3 months, the portfolio underperformed the index by over 4%. Within the portfolio, the largest contributor was GAIL followed by CVRD (Brazil), Orascom Construction (Egypt) and Sasol (South Africa). Against these, Cemex (Mexico), Kookmin Bank (South Korea) and Infosys notably underperformed. Relative to the benchmark, the portfolio added most value from the underweight position in Taiwan. Elsewhere, some Egyptian and Philippine holdings made gains. On the negative side, a number of positions disappointed in Brazil, India, Mexico and Russia while the large underweight position in China also cost the portfolio. Significant sector losses for the portfolio were seen in the Energy, Telecoms and Consumer Staples sectors.

MANAGER STYLE SUMMARY

Genesis utilizes a "bottom-up" investment approach, whereby security selection is primarily based on individual stocks rather than country or regional prospects. An unusual aspect of their style is that they will limit the countries within their selection set to the World Bank list of emerging markets (based on per capita GDP), rather than the standard emerging markets indices. Thus, some of the countries within the emerging markets indices (i.e. Israel), are not a major focus of Genesis. Their unique style tends to keep Genesis out of fast-growing countries included in the emerging markets indices or country or regional successes rather than individual companies (i.e. Asia). Consequently, they can have periods of underperformance when these types of countries perform well.

GENESIS ASSET MANAGERS LIMITED
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2007

Portfolio Guideline:	Genesis	Compliance
B2. Country allocations <=15% of value at cost		ok
B3. EAFE securities <=10% of value at cost		ok
B4. Security position <=4% of the account at purchase		ok
B5. Number of Issues > 75	106	ok
C1. Currency or cross-currency position <= value of hedged securities		ok
No executed forward w/o corresponding securities position		ok
C2. Maximum forward with counterpart <= 30% of total mv of account		ok
F2. Annual Turnover <= 100%	37%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	N/A			

MONDRIAN INVESTMENT PARTNERS
INTERNATIONAL EQUITY: MSCI EAFE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Mondrian	-2.18%	6.19%	17.74%	21.19%	n/a
MSCI EAFE	-3.29%	5.89%	17.30%	19.42%	21.28%

COUNTRY ALLOCATION COMPARISON

<u>Over-weight</u>	<u>Mondrian</u>	<u>EAFE</u>	<u>Under-weight</u>	<u>Mondrian</u>	<u>EAFE</u>
Spain	8.55%	4.38%	Japan	16.11%	20.33%
France	13.64%	10.48%	Switzerland	3.22%	6.77%
Australia	9.68%	6.59%	Germany	5.53%	8.89%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The portfolio outperformed the benchmark in November. Overall, it benefited from positive asset weighting decisions across the Pacific and European regions, from its overweight exposure to the telecommunications and health care sectors and from its underweight exposure to the industrials sector. Stock selection was also positive across a number of markets, but significantly positive in the UK and Japan as well as in the consumer staples, energy and telecommunications sectors. Currency returns were an offsetting factor, with the underweight position in the Japanese yen and the overweight position in the Australian dollar holding back returns.

The main highlights of the strategy being adopted for the account are: -

- A strong value-stock orientation
- Underweight position in the overvalued Japanese market
- Overweight position in the undervalued Australasian markets.
- Defensive currency hedge out of sterling.

MANAGER STYLE SUMMARY

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

MONDRIAN INVESTMENT PARTNERS
INTERNATIONAL EQUITY: MSCI EAFE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		52		40	60	ok
B5. Normal Regional Exposures:						ok
United Kingdom		21%		0%	45%	ok
Europe ex U.K.		43%		0%	75%	ok
Japan		16%		0%	45%	ok
Pacific ex Japan		15%		0%	40%	ok
Non-Index Countries		3%		0%	20%	ok
Cash		1%		0%	5%	ok
Total		100%				
B6. Normal Portfolio Characteristics						
Capitalization	65,800.90	76331.5	116%	25%	100%	check
Price/Book Value	2.3	2.2	96%	50%	125%	ok
Price/Earnings (Trailing)	14.7	13.7	93%	50%	100%	ok
Price/Cash Flow	9.7	8.1	84%	50%	100%	ok
Dividend Yield	2.7	3.6	133%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Annual turnover		12%			40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B6. Capitalization: Above Capitalization limit

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

Gained:	Number of Accounts:	None	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	None	Total Market Value (\$m):		
	Reason(s):				

MOUNTAIN PACIFIC INVESTMENT ADVISERS
DOMESTIC EQUITY: RUSSELL 2500 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Mountain Pacific	-3.32%	0.27%	9.11%	9.88%	13.58%
Russell 2500	-6.13%	-1.45%	2.46%	10.01%	16.06%

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>Mtn Pac</u>	<u>RU 2500</u>	<u>Sector Analysis</u>		
			<u>Over-weight</u>	<u>Mtn Pac</u>	<u>RU 2500</u>
Mkt Value (\$m)	301.18	N/A	Healthcare	27.62%	11.52%
Wtd Cap (\$b)	7.34	2.71	Capital Goods	29.08%	19.23%
P/E	19.05	20.12	Technology	15.59%	11.86%
Beta	1.00	0.80			
Yield (%)	0.88	1.21	<u>Under-weight</u>	<u>Mtn Pac</u>	<u>RU 2500</u>
Earnings Growth	17.00	19.00	Consumer	5.67%	19.90%
			Utilities	0.00%	6.07%
			Energy	0.00%	5.57%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

In November 2007, our portfolio outperformed the benchmark RU 2500 by 281 basis points due largely to the outperformance of our health care, capital goods, and technology holdings. Standout performers included Donaldson Company, which rose 10% during the month, after the filtration manufacturer reported better than expected quarterly results and increased their earnings forecast for 2008. The company has benefited from strength in engine filters and products to agriculture equipment makers and strong worldwide demand for their gas turbine (power) products. Charles River Laboratories rose 9% after the provider of animal research models and services used for new drug discovery, reported solid results and raised their outlook. Our results were hindered by a 29% decline in Inventiv Health, after the clinical staffing and market research provider reported earnings that fell short of expectations and Novartis terminated its contract in the fourth quarter. We have confidence in the management team and believe the forecast for 2008 is achievable. During the month, we added to a new position in Metavante Technologies, a provider of banking and payment technologies that was spun-off from Marshall & Ilsley, a Midwest regional bank. In the last three months, our portfolio performance was flat compared to a slight decline in our benchmark. Solid returns from our health care holdings and technology, up 6% and 7%, respectively offset a 12% decline in our financial holdings. In a slowing economy, we will continue to research those companies that can show consistent earnings growth.

MANAGER STYLE SUMMARY

Mountain Pacific manages a mid-to small-cap portfolio, employing a "GARP" (Growth At a Reasonable Price) investment strategy. Their portfolio holdings and characteristics will wander around the average stock in their benchmark, and they tend to favor companies which do not sell directly to the public and therefore, depend on sales to other businesses. Mountain Pacific runs a more concentrated portfolio than most, and as a result, their returns will diverge more dramatically from their benchmark, and sometimes for sustained periods.

MOUNTAIN PACIFIC INVESTMENT ADVISERS
DOMESTIC EQUITY: RUSSELL 2500 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	Mtn Pac	RU 2500	Calc	Min	Max	Compliance
B2. Security Market Cap (in \$m)				\$100.0	\$7,500.0	ok
B3. Wtd Avg Cap	7	3	276%	80%	120%	check
B4. Number of issues	54			35	55	ok
B5. Security Positions <= 4% @ purchase						ok
B6a. P/E (12-mo trail)	19.05	20.12	95%	80%	120%	ok
B6b. Beta	1.00	0.80	1.25	0.80	1.20	check
B6c. Yield	0.88	1.21	73%	80%	120%	check
B6d. Expected Earnings Growth	17.00	19.00	89%	80%	120%	ok
E2. Commissions not to exceed \$0.06/share						ok
E3. Annual Turnover	17%				60%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B3. Wtd Avg Cap: Our Wtd Avg Cap exceeds that of the benchmark due to price appreciation of securities purchased. The median cap of the portfolio is \$4.87 BB.

B6c. Yield: Our yield is slightly below the guideline range but not significantly so. Most of our companies pay little in dividends, instead plow earnings back in for growth.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

Gained: Number of Accounts:
Lost: Number of Accounts:
Reason(s): N/A

Total Market Value (\$m):
Total Market Value (\$m): \$ -

PEREGRINE CAPITAL MANAGEMENT
DOMESTIC EQUITY: RUSSELL 1000 GROWTH BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Peregrine	-4.80%	3.77%	10.29%	8.12%	n/a
Russell 1000 Growth	-3.68%	3.96%	12.60%	10.22%	n/a

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>Peregrine</u>	<u>RU 1000G</u>	<u>Sector Analysis</u>		
			<u>Over-weight</u>	<u>Peregrine</u>	<u>RU 1000G</u>
Mkt Value (\$m)	199.85	N/A	Financial Svcs	26.63%	8.98%
Wtd Cap (\$b)	93.53	77.62	Technology	26.17%	22.15%
P/E	16.10	17.40	Other-Business	5.04%	2.44%
Beta	1.27	1.06			
Yield (%)	0.90	1.09			
Earnings Growth	27.00	22.80	<u>Under-weight</u>	<u>Peregrine</u>	<u>RU 1000G</u>
			Healthcare	12.23%	16.39%
			Consumer Stapl	5.94%	8.12%
			Energy	0.00%	6.96%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

For the month of November, fear and risk aversion dominated U.S. financial markets. Investors were concerned about the potential worsening impact of subprime mortgage issues, a declining U.S housing industry, bank losses, dollar declines, and rising oil prices...just to name a few. As a result, money flowed toward safety in the form of U.S. Treasuries: bonds outperformed the S&P 500 by approximately 900 basis points for the month. Among equities, the defensive sectors such as healthcare, consumer staples, and utilities performed the best. Low beta stocks far outperformed high beta, large caps outperformed small caps. Peregrine Growth Equity's performance reflected that of the general market. The portfolio's more defensive issues such as Medtronic, Genentech, Wal-Mart, CH. Robinson, and Western Union performed the best during the month. The portfolio's technology and financial stocks, as one would expect, performed the worst in this environment. Cisco Systems, Goldman Sachs, Microsoft, EMC Corp, and eBay all lagged the rest of the portfolio and the benchmark for the month. Overall, the portfolio's reasonably higher beta resulted in underperformance relative to the benchmark during the month. While economic growth continues to moderate, the current fear level appears quite high. In a period of low inflation, moderate economic growth, and Fed easing, equities can perform well—climbing the wall of worry. The portfolio's combination of very high quality and strong secular earnings growth positions it well for a number of potential economic scenarios. In addition, the portfolio's very attractive valuation level serves as both a catalyst and risk reducer.

MANAGER STYLE SUMMARY

Peregrine manages a large cap growth equity portfolio, utilizing a "bottom up" strategy, and focusing more on the future growth prospects of a firm rather than current earnings. We can expect the portfolio to include 30-50 securities, the P/E and P/B ratios to be slightly higher than that of the market, stock volatility to be slightly higher than the market, and dividend yield to be lower than average. Their style encourages overweight positions in traditional growth sectors such as technology, retail, business services, and financial services. Due to the concentrated nature of the portfolio, it will tend to be more volatile than more diversified portfolios.

PEREGRINE CAPITAL MANAGEMENT
DOMESTIC EQUITY: RUSSELL 1000 GROWTH BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	S&P 500	Peregrine	Calc	Min	Max	Compliance
B2. Security Market Cap > \$1 billion						ok
B3. Security position <=5% @ purchase, excluding contributions						ok
B4. Number of issues		31		30	50	ok
B5. P/B	2.80	4.34	1.6	1.2	2.0	ok
B5. P/E (Projected)	15.00	16.10	1.1	1.0	2.0	ok
B5. Dividend Yield	1.90	0.90	0.5	0.1	0.8	ok
B5. Beta	1.00	1.27	1.3	1.10	1.35	ok
B5. Earnings Growth (5-year)		27%		11%	22%	check
F2. Commissions not to exceed \$0.05/share						ok
F3. Annual Turnover		9%		15%	30%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

F3. Annual Turnover: Average Annual Turnover since Growth Equity inception (01/01/83) has been less than 20%.

B5. Earnings Growth: This has been a period of above trend earnings growth. We expect the earnings growth to be in the 18% - 20% range over the next five years.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained: Number of Accounts: Total Market Value (\$m):

Lost: Number of Accounts: Total Market Value (\$m):

Reason(s):

TCW VALUE OPPORTUNITIES
DOMESTIC EQUITY: RUSSELL MIDCAP VALUE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
TCW	-5.96%	-3.46%	1.39%	8.53%	n/a
Russell Midcap Value	-5.27%	-2.57%	0.70%	11.93%	—
Russell 3000	-4.52%	0.77%	7.05%	10.40%	—

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>TCW</u>	<u>RU Mid</u>	<u>Sector Analysis</u>		
Mkt Value (\$m)	196.01	N/A	<u>Over-weight</u>	<u>TCW</u>	<u>RU Mid</u>
Wtd Cap (\$b)	6.92	8.74	Info Tech	23.46%	7.27%
P/E	17.38	14.35	Health Care	12.26%	2.22%
Beta	1.02	1.00	Industrials	12.32%	10.17%
Yield (%)	1.08	2.17			
Earnings Growth	11.91	8.54	<u>Under-weight</u>	<u>TCW</u>	<u>RU Mid</u>
			Utilities	0.00%	14.36%
			Financials	19.00%	29.24%
			Consumer Sta]	2.24%	7.57%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Value Opportunities' contrarian style of investing is continuing to work, as is evident in the performance numbers for November. The outperformance was attributable to stock selection and asset allocation in consumer discretionary, energy, health care, and industrials, while information technology slightly detracted from performance because of over allocation versus the benchmark. While our underweighting in financials has largely benefited performance over the past year, two of our companies in the sector, Moody's and E-Trade Financial, negatively impacted performance as a result of the subprime credit crisis. We have been cautious about the credit cycle and the earnings environment for financials. The subprime issues associated with writedowns of mortgages on the balance sheets of financial intermediaries have dramatically reduced profitability in the sector. Moreover, deteriorating loan growth and net interest margins contraction are impacting profit ability for this group. Although technology is back in favor, the stocks that have been performing well have either very high P/Es or no P/Es. The Value Opportunities portfolio owns more value value-oriented names, companies with solid balance sheets that include net cash.

MANAGER STYLE SUMMARY

TCW is a "bottom-up" manager, implementing a "Value Opportunities" investment strategy, which seeks to add value by investing in small- and medium-capitalization companies that are currently undervalued. The key to their strategy is to identify the basis for the undervaluation and the related catalyst which will result in a realization of true company value. The portfolio will tend to hold a minimum of 45 securities and exhibit low P/E and P/B ratios.

TCW VALUE OPPORTUNITIES
DOMESTIC EQUITY: RUSSELL MIDCAP VALUE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	TCW	RU Mid	Min	Max	Compliance
B2. Security Market Cap (in \$m) > \$100 m @ purchase					ok
B3. Security Positions <= 20% @ purchase					ok
B4. Number of issues	53		45	200	ok
B5. Portfolio Characteristics					
Capitalization (in \$B)	6.3		\$1.0	\$4.5	check
P/B	2.35	1.84	1.8	3.3	ok
P/E (IBES Projected)	17.38	14.35	9.1	26.0	ok
Dividend Yield	1.08	2.17	0.6	1.3	ok
Earnings Growth	11.91	8.54	3.9	15.7	ok
F2. Commissions not to exceed \$0.05/share (or semi-annual explanation required)					ok
F3. Annual Turnover	84%			140%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B5. Capitalization: Typically TCW Value Opportunities runs a bit higher due to some larger capitalization companies.

T/O computation not relevant since portfolio commenced 6/07/04.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	2	Total Market Value (\$m):	\$	8.0
	Reason(s):	Although TCW is unable to disclose the specific rationale for accounts departing, generally accounts have shifted from TCW for the following reasons: performance related; change in investment policies (extended index fund); bringing assets in-house to be managed internally; adjusting market capitalization allocation range.			

TUKMAN CAPITAL MANAGEMENT, INC.
DOMESTIC EQUITY: S&P 500 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Tukman	-3.14%	3.32%	7.36%	5.83%	7.04%
S&P 500	-4.18%	0.98%	7.72%	10.10%	11.63%

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>Tukman</u>	<u>S&P 500</u>	<u>Sector Analysis</u>		
Mkt Value (\$m)	348.20	N/A	<u>Over-weight</u>	<u>Tukman</u>	<u>S&P 500</u>
Wtd Cap (\$b)	161.18	0.00	Consumer Stapl	21.80%	8.13%
P/E	15.00	16.50	Financial Servic	30.00%	19.30%
Beta	0.86	1.00	Other	10.40%	4.54%
Yield (%)	1.75	1.92			
Earnings Growth	11.40	12.30	<u>Under-weight</u>	<u>Tukman</u>	<u>S&P 500</u>
			Energy	0.00%	11.77%
			Utilities	0.00%	7.50%
			Healthcare	6.70%	12.48%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The TCGM portfolio outperformed the S&P 500 Index for the month of November and for the last three months. The top performing stocks for the month were Procter & Gamble, Berkshire Hathaway, and Wal-Mart. Procter & Gamble announced a 14% increase in profits due to higher product pricing and also raised their earnings target for 2008. Berkshire Hathaway posted profits up 64% due to strong investment gains from the sale of Petrol China. Wal-Mart experience an 8% increase in profits due to tighter inventory controls, aggressive pricing, well-controlled expenses, and a defensive sales mix. Berkshire and Wal-Mart were also two of the top performing stocks for the quarter. The bottom performing stocks for the month were Gannett, International Business Machines, and Automatic Data Processing. Gannett posted an 11% decline in profits as print advertising revenue fell due to a reduction in real estate and political advertising. IBM announced a 6% increase in earnings from service businesses and software that was offset by a decline in hardware services. IBM's stock price declined as investors realized gains. Automatic Data Processing had a 15% increase in earnings as companies added employees to their payrolls and due to favorable currency exchange rates. Investors sold shares based on the possibility of a 2008 economic slowdown.

Shares of Walt Disney, Legg Mason, and American International Group were purchased on price weakness. We trimmed shares of Wells Fargo, PepsiCo, and Wal-Mart.

MANAGER STYLE SUMMARY

Tukman's investment strategy is "Concentrated Quality GARP" (Growth At a Reasonable Price), whereby the portfolio is a concentrated mix of about 10-20 large capitalization stocks of quality companies who are leaders in their sectors, have demonstrated consistent earnings growth, have clear prospects for future earnings growth, and trade at values at or slightly below the average S&P 500 company. This style is similar to that of Warren Buffet. Due to the portfolio concentration, it tends to be more volatile than other widely diversified portfolios. Consequently, they can lag significantly behind their benchmark for a period of time, then rapidly make up the difference and/or outperform relative to their benchmark.

TUKMAN CAPITAL MANAGEMENT, INC.
DOMESTIC EQUITY: S&P 500 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2007

Portfolio Guideline:	S&P 500	Tukman	Calc	Min	Max	Compliance
B2. Security Market Cap (in \$m)						ok
B3. Wtd Avg Cap > \$10 billion						ok
B4. Number of issues		17		10	20	ok
B5. Security Positions <= 15% @ purchase						ok
B6a. P/E (projected)	16.50	15.00	1.1	0.8	1.3	ok
B6b. Beta	1.00	0.86	1.2	0.8	1.3	ok
B6c. Yield	1.86	1.75	106%	50%	150%	ok
B6d. Expected Earnings Growth	12.30	11.40	1.1	0.7	1.3	ok
E2. Commissions not to exceed \$0.05/share						ok
E3. Annual Turnover		6%		5%	45%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

The firm name was changed on November 1, 2007 to Tukman Grossman Capital Management. There were no changes to the ownership structure.

ACCOUNT TURNOVER

Gained:	Number of Accounts:	1	Total Market Value (\$m):	\$	10.0
Lost:	Number of Accounts:	1	Total Market Value (\$m):	\$	27.0
	Reason(s):	Performance and portfolio restructuring			

WESTERN ASSET MANAGEMENT- US TIPS FULL DISCRETION
DOMESTIC FIXED: LEHMAN TIPS BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Western TIPS	3.84%	6.51%	n/a	n/a	n/a
Lehman TIPS	3.97%	6.54%	n/a	n/a	n/a

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Market Commentary, November

Fear resurfaced with a vengeance. The profit motive took a back seat to risk concerns and investors staged an exodus from risky asset classes for the safety of US Treasuries. The Ted spread, a measure of systemic risk, spike close to its previous peak in mid-August, when the Fed was forced to backtrack and begin its easing cycle. The market began pricing in over 100 basis points of easing in the next year on major growth concerns and the 2-year Treasury Note fell by a whopping 95 basis points. Economic data continued to suggest a moderately expanding economy with little sign of rising inflation. The revised print of 3rd quarter GDP was increased to 4.9% annualized, led by robust business investment and a supportive international trade sector. Exports are now growing more than 10% per year while imports are growing a meager 1.7% per year, helping to close the trade deficit and boost domestic production. The labor market remained relative tight though continued signs of slack did appear. Job creation has slowed and, on the margin, people are choosing not to enter the labor force on expectations that jobs are more difficult to find. Core PCE inflation remained at the upper bound of the Fed's comfort zone at 1.9%. Headline measures spiked due to base effects and a rise in the price of gasoline, hitting 2.9% year-over-year. The price of gold and oil fell on expectations of slower global growth, in combination with a positive report by the International Energy Association that US consumption of petroleum is beginning to respond to higher prices. The dollar lost 4.6% against the Japanese yen on an unwind of carry trades, but managed to gain a touch back against the Pound sterling. Spreads on corporate bonds and mortgage-backed securities were significantly higher, while volatility spiked, further impacting the mortgage-backed sector. The S&P lost more than 4% on general risk aversion.

The Barclay's TIPS index generated a total return of 4.01%, outperforming its nominal counterpart by 0.22%. Inflation expectations on the 10-year issue fell one basis point and 10 basis points on the 2-year issue. Oil and gold prices moderated on the prospects for slower global growth, led by a US slowdown. Next month's CPI accretion should add roughly 0.20% to performance. The end of the year (October through December) tends to be the low carry season for the CPI-U due to discounting by apparel retailers heading into the holiday season. Due to the index lag, next month will reflect October's accretion, the first month of seasonality drag.

MANAGER STYLE SUMMARY

Western manages a Core Plus account in addition to this TIPS mandate. This is an expansion of our existing SSgA TIPS (Treasury Inflation Protected Securities) allocation in that this portfolio will be actively managed and will not employ a buy and hold strategy however, it will be more limited than what was our Bridgewater global TIPS portfolio. Western is limited to hold no more than 20% of the portfolio in non-inflation-linked bonds, but does have the latitude to hold foreign, non-dollar denominated securities, take currency positions, and enter into futures, options and swaps contracts, provided our daily pricing requirements are met..

WESTERN ASSET MANAGEMENT- US TIPS FULL DISCRETION
DOMESTIC FIXED: LEHMAN TIPS BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2007

Portfolio Guideline:	Lehman TIPS	Western	Min	Max	Compliance
C2. Weighted average duration including futures	7.88		5.52	10.24	ok
Weighted average duration with options			6.30	9.46	ok
C3. Credit Quality					
(1) Rated securities: % invested in investment grade			80%	100%	ok
C4. Diversification					
(2a) Sector: % invested in IPS and/or floating rate securities			80%	100%	ok
(2b) Sector: % invested in US TIPS and/or floating rate securities			80%	100%	ok
(2c) Sector: % invested in non-IL bonds and MBS			0%	20%	ok
(2d) Sector: % invested in extended sectors including emg mkts			0%	20%	ok
Max invested in any one of the extended sectors					check
(2e) Sector: % invested in un-hedged non-dollar exposure			0%	15%	ok
(3a) Issuer: Limit of obligations of non-benchmark issuers			0%	5%	ok
(4) Credit: % invested in issues rated below Baa3 or BBB- / A2 or P2			0%	20%	ok
(5) Derivatives: % invested in orig futures margin & option prem			0%	5%	ok
Max net credit derivative exposure (as % of mkt value)			0%	40%	ok
F2. Annual Turnover	0%		150%	250%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	Total Market Value (\$m)
Lost:	Number of Accounts:	Total Market Value (\$m)
	Reason(s):	

WESTERN ASSET MANAGEMENT- CORE FULL DISCRETION
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

** Annualized returns*

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Western	0.59%	2.81%	4.16%	n/a	n/a
Lehman Aggregate	1.80%	3.49%	6.05%	n/a	n/a

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Performance Attribution—November

Strategies produced negative results. An overweight exposure to lower quality corporate bonds, with an emphasis on auto and finance issues, was a big negative as spreads widened. A large overweight exposure to the mortgage-backed sector also negatively impacted performance as risk premiums widened and volatility spiked. A tactically driven duration strategy added to returns as interest rates declined. A curve-steepening strategy was a positive as short-term rates rallied significantly on the back of rising expectations over deep Fed cuts. A moderate TIPS exposure added to performance as real yields fell and headline inflation rates rose. A modest exposure to local currency emerging market debt detracted from returns as investors fled to the safety of hard currencies. Non-dollar bond exposure detracted as foreign markets underperformed their U.S. counterparts. Our decision to leave some currency exposure unhedged generated mixed results.

Outlook and Strategy

The U.S. financial system is contending with a large amount of stress, and questions remain on how this will impact the broader economy. A major rebalancing of the economy began over a year ago, and the resulting trembles and tremors of that correction are sending shockwaves of fear throughout the financial system. Investors' primary concern is that the financial system could in turn compound problems emanating from the housing sector and ultimately lead the economy into a recession. To date, the overall economy has been resilient. Fundamentals are sound and the traditionally dynamic U.S. economy seems capable of avoiding a recession, but downside risks remain. Further monetary easing is probably required before this happens, though the current 100 bps priced into futures markets seems extreme.

The economy has already undergone a significant portion of the necessary rebalancing. The residential housing sector has diminished by 30% from its peak and is again close to its long-term average of 4.5% as a share of GDP. Ongoing home price depreciation will eventually clear the overhang of unsold inventory and allow homebuilders to regain their footing. Households are certainly under pressure and we expect consumer spending growth to slow. But much of the economy's output is being absorbed by the rest of the world, allowing producers to keep the lights on and hiring adequate. Exports grew more than 10% from a year ago while imports grew a meager 1.7%. This has helped narrow the trade deficit and put the U.S. economy on a more sustainable growth path. The weak dollar should combine with robust global growth and continue to provide an advantage to U.S. producers.

Spreads have risen significantly from their lows earlier in the year. This reflects the perception that both mortgage and corporate default rates will soar. We believe that current spreads more than compensate for the expected rise in default rates and that the degree of pessimism is overstated. Market forces will reallocate the risk that is clogging the lending channel and fundamental value will eventually reassert itself. In light of this view, it makes sense to us to hold a substantial overweight to mortgage-backed securities, which offer tremendous compensation and have historically done well during times of moderating growth. We also continue to believe in a select number of lower quality corporate names which have been impacted by a bout of panicked selling. Our research analysts continue to assess these names and we are confident that they will regain their fundamental value in time once fear subsides. Some exposure to TIPS makes sense since they are a reasonably priced inflation hedge. Non-dollar bonds are good diversifiers and we see some opportunities in the currency space. With dollar-denominated emerging market debt still looking relatively expensive, we prefer having exposure to local currency bonds given their higher yields and solid fundamentals that prevail in many markets. We still have a curve-steepening strategy in place as a hedge against our overweight exposure to lower quality credits and the possibility that conditions may necessitate a more aggressive Fed response. Overall duration remains roughly neutral and continues to be managed tactically.

MANAGER STYLE SUMMARY

Western manages a customized portfolio for PERSI, which falls outside of their traditional product offerings. While the product is called, "Core Full Discretion" (one of their traditional products), Western has the flexibility to invest in global inflation-linked bonds and to take bigger bets where they see the opportunity. As such, this portfolio is more volatile than the traditional underlying product. This global mandate allows Western to hold foreign, non-dollar denominated securities, take currency positions, and enter into futures, options and swaps contracts.

WESTERN ASSET MANAGEMENT- CORE FULL DISCRETION
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2007

Portfolio Guideline:	Western	Min	Max	Compliance
C. Weighted average duration including futures positions	4.34	-30.00	30.00	ok
C4 (2): Sector Allocation				
a. Non-dollar denominated securities		0%	40%	ok
Un-hedged non-dollar denominated securities		0%	20%	ok
b. U.S. securities rated below investment grade (BIG)		0%	40%	ok
c. Non-dollar, Non-U.S. securities rated BIG		0%	20%	ok
d. Non-dollar denominated+emerging mkt+high yield		0%	50%	ok
C4 (3): Issuer				
a. Guaranteed by US gov, agencies, gov-sponsored corp or G-7		0%	100%	ok
b. Other national governments - limit per issuer		0%	10%	ok
c. Private MBS/ABS - limit per issuer		0%	10%	ok
If collateral is credit-independent of issuer & security's credit enhancement is generated internally - limit per issuer		0%	25%	ok
d. Obligations of other issuers subject to per issuer limit		0%	5%	ok
C4 (5): Credit				
No more than 40% of portfolio below Baa3 or BBB-/A2 or P2		0%	40%	ok
C4 (7): Derivatives				
Original futures margin and options premiums, exclusive of any in-the-money portion of the premiums		0%	5%	ok
F2. Annual Turnover	60%	100%	200%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

percentages are based off market values that have not yet been reconciled

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	Total Market Value (\$m):
Lost:	Number of Accounts:	Total Market Value (\$m):
	Reason(s):	

ZESIGER CAPITAL GROUP LLC
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2007**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Zesiger Total	-4.87%	10.13%	35.22%	28.45%	25.93%
Zesiger Private	-1.94%	12.80%	6.87%	12.47%	1.13%
Zesiger Public	-4.94%	10.05%	35.95%	28.92%	28.15%
MSCI ACWI	-4.38%	4.74%	15.97%	16.84%	17.90%
Russell 3000	-4.50%	0.80%	7.05%	10.39%	12.45%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Compared to the two relevant benchmarks, the portfolio was essentially in line for November and vastly ahead for the last three months.

Contrary to the prior month, leadership was very narrow with just under a dozen holdings having positive returns. Indian securities provided 50% of the upside performance, lead by AdLabs Films Ltd. There are persistent rumors in India that AdLabs will merge with Reliance Entertainment, presently a skeletal company of Reliance ADA Group. The resulting company will be the well-financed, media flagship for the Group and in strong contention of becoming one of India's foremost media companies. The portfolio continued to benefit by its overweighting in India and Indonesia on the international side, and by several holdings on the domestic side, including Alexza Pharmaceuticals, General Cable, and Unum Group, all of which were rebounding from prior non-fundamental sell-offs. China and a number of small cap domestic companies provided a strong drag for the month. We believe the sell-off was non-fundamental in nature, including undoubtedly some profit-taking. Most of the holdings have been star performers this calendar and fiscal year.

While impacted by the market volatility caused by the subprime mess, the portfolio is not directly or closely invested in related companies. The focus on areas such as global infrastructure and medical technology should serve to inoculate the portfolio as much as possible from any spreading contagion. We believe protection thus far has come from our concentration in the fast-growing economies of Asia and India. We do not anticipate any change to this strategy.

Over the past month we have redeployed some profits from a few large Indian holdings to some half-dozen domestic holdings already in the portfolio that have experienced non-fundamental price declines. We have expanded a high-yield position and are in the process of adding one new domestic holding. Otherwise, the portfolio holdings remain quite stable.

MANAGER STYLE SUMMARY

Zesiger's unique mandate is best described as an "absolute total return" strategy: they are allowed to invest in any publicly traded equity or debt instrument (excluding derivatives) and private equity (which is also tracked by Hamilton Lane). Zesiger's style entails more of a long-term trend and growth orientation, which favors small growth stocks (particularly bio-tech), emerging markets and private equity -- this implies high volatility. Judgements regarding Zesiger's performance should entail a long-term (at least 5 yrs) perspective, given their style. Portfolio characteristics will tend to be growth-oriented, with a tendency for country allocations to be in less-developed countries. Zesiger will not track any particular index well.

ZESIGER CAPITAL GROUP LLC
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2007

Portfolio Guideline:	Zesiger	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase				ok
B4. Number of issues	77	80	160	check
B5. Normal Country Exposures:				
United States & Canada	41%	30%	100%	ok
Americas ex U.S.	6%	0%	25%	ok
United Kingdom	1%	0%	25%	ok
Europe ex U.K.	2%	0%	40%	ok
Japan	1%	0%	45%	ok
Asia Pacific ex Japan	38%	0%	50%	ok
Non-Index Countries	2%	0%	15%	ok
Cash & Hedges	8%			
Total	100%	(does not have to add up to 100%)		
C1. Currency or cross-currency position <= value of hedged securities				ok
No executed forward w/o corresponding securities position				ok
C2. Maximum forward with counterpart <= 30% of total mv of account				ok
F2. Brokerage commissions not to exceed \$0.06/share				ok
F3. Annual Turnover	32%		100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B4. Number of Issues: Without continued private placement investments, the portfolio is increasingly more concentrated. We are looking to reduce the guideline's number of companies.

ORGANIZATIONAL/PERSONNEL CHANGES

none

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				